The PRESIDENT pro tempore. Without objection, the report will be received.

The nominations were ordered to be placed on the Executive Calendar, as follows:

The following-named officers for appointment, by transfer, in the Regular Army of the United States:

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Neal Dow Franklin, Infantry (detailed in Judge Advocate General's Department), with rank from July 1, 1932.

TO QUARTERMASTER CORPS

Lt. Col. Hugo Ernest Pitz, Coast Artillery Corps (assigned to duty with Quartermaster Corps), with rank from November 10, 1932.

Capt. Roy Crawford Moore, Field Artillery (detailed in Quartermaster Corps), with rank from July 1, 1920.

Capt. Andrew Daniel Hopping, Infantry (detailed in Quartermaster Corps), with rank from August 1, 1932.

First Lt. Ira Kenneth Evans, Infantry (detailed in Quartermaster Corps), with rank from March 1, 1931.

TO AIR CORPS

Second Lt. Herbert Charles Gibner, Jr., Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lt. Merrick Hector Truly, Infantry (detailed in Air Corps), with rank from June 11, 1931.

The following-named officers for promotion in the Regular Army of the United States:

MEDICAL CORPS

To be captain

First. Lt. Cleveland Rex Steward, Medical Corps, from March 5, 1933.

CHAPLAINS

To be chaplains with the rank of lieutenant colonel

Chaplain Alva Jennings Brasted (major), United States Army, from March 3, 1933.

Chaplain William Andrew Aiken (major), United States Army, from March 3, 1933.

Chaplain Ernest Wetherill Wood (major), United States Army, from March 3, 1933.

To be chaplain with the rank of major

Chaplain Herbert Adron Rinard (captain), United States Army, from March 10, 1933.

The officer named herein for appointment in the Officers' Reserve Corps of the Army of the United States under the provisions of sections 37 and 38 of the National Defense Act, as amended:

GENERAL OFFICER

To be brigadier general, Reserve

Brig. Gen. George Henderson Wark, Kansas National Guard, from March 24, 1933.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. ROBINSON of Arkansas. Mr. President, if there be no further business to come before the Senate, I move that the Senate take a recess until 12 o'clock noon on Monday.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 2 o'clock and 40 minutes p.m.) the Senate took a recess until Monday, April 3, 1933, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 31 (legislative day of Mar. 13), 1933

ASSISTANT SECRETARY OF WAR

Harry H. Woodring, of Kansas, for appointment as Assistant Secretary of War, vice Frederick H. Payne, resigned.

COMMISSIONER GENERAL OF IMMIGRATION

Daniel W. MacCormack, of New York, to be Commissioner General of Immigration, Department of Labor.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Second Lt. Donald Ralph Neil, Field Artillery (detailed in Quartermaster Corps), with rank from June 12, 1930.

Second Lt. Robert Edwin Cron, Jr., Coast Artillery Corps (detailed in Quartermaster Corps), with rank from June 12, 1930.

TO CAVALRY

Second Lt. Harry Winston Candler, Infantry, effective June 11, 1933, with rank from June 11, 1931.

PROMOTIONS IN THE REGULAR ARMY

DENTAL CORPS

To be colonel

Lt. Col. Raymond Eugene Ingalls, Dental Corps, from March 25, 1933.

CHAPLAIN

To be chaplain with the rank of captain

Chaplain Joseph Richard Koch (first lieutenant), United States Army, from March 27, 1933.

SENATE

MONDAY, APRIL 3, 1933

(Legislative day of Monday, Mar. 13, 1933)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. LEWIS. Mr. President, I note the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Keyes	Reynolds
Ashurst	Costigan	King	Robinson, Ark.
Austin	Couzens	La Follette	Robinson, Ind.
Bachman	Cutting	Lewis	Russell
Bailey	Dickinson	Logan	Schall
Bankhead	Dieterich	Lonergan	Sheppard
Barbour	Dill	Long	Shipstead
Barkley	Duffy	McAdoo	Smith
Black	Erickson	McCarran	Steiwer
Bone	Fess	McGill	Stephens
Borah	Fletcher	McKellar	Thomas, Okla.
Brown	Frazier	McNary	Thomas, Utah
Bulkley	George	Murphy	Townsend
Bulow	Goldsborough	Neely	Trammell
Byrd	Gore	Norbeck	Tydings
Byrnes	Hale	Norris	Vandenberg
Capper	Harrison	Nye	Van Nuys
Caraway	Hastings	Overton	Wagner
Carey	Hatfield	Patterson	Walcott
Clark	Hayden	Pittman	Walsh
Connally	Johnson	Pope	Wheeler
Coolidge	Kendrick	Reed	White

Mr. REED. I announce the absence of my colleague [Mr. DAVIS] on account of illness.

Mr. FESS. I announce the necessary absence of the Senator from Vermont [Mr. DALE], the Senators from Rhode Island [Mr. METCALF and Mr. HEBERT], and the Senator from New Jersey [Mr. KEAN].

Mr. LEWIS. The senior Senator from New Mexico [Mr. BRATTON] is necessarily detained from the Senate. I beg to announce the fact for the remainder of the day.

Mr. BYRD. I desire to announce that my colleague [Mr. GLASS] is unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. There is a quorum present.

THE LATE SENATOR WALSH, OF MONTANA

The VICE PRESIDENT laid before the Senate a resolution adopted by the House of Representatives of the State of Pennsylvania as a tribute to the memory of Hon. Thomas J. Walsh, late a Senator from the State of Montana, which was ordered to lie on the table and to be printed in the RECORD, as follows:

COMMONWEALTH OF PENNSYLVANIA,
IN THE HOUSE OF REPRESENTATIVES,
March 29, 1933.

Presented by Hon. Charles Melchiorre, Philadelphia County

As he was about to undertake the greatest task his busy life had known, to enjoy the reward of many years of national service, Senator Thomas J. Walsh, of Montana, quietly and peacefully passed into the Great Unknown.

Before he had yet begun to enjoy and appreciate the companionship that had come to crown the sunset of his life, death called to him and she was left alone.

His selection by President Roosevelt, from scores of able and competent attorneys, for the important post of Attorney General of the United States, was a deserved recognition of his ability, his rectitude, and his courage: Therefore be it

Resolved, That in the death of Senator Walsh the Nation has been deprived of the service of one who had frequently shown his ability as a public prosecutor, whose worth as an adviser had often been demonstrated, and whose standing as a leader of thought was established.

That his native State has lost its most illustrious son, and the wife, who had known him so short a time, had not yet glimpsed the inner greatness of this outstanding American.

That although his ability and courage will be greatly missed, his career of distinguished service to his country needed not this last crowning honor to make his fame lasting and his place in the minds and hearts of his countrymen secure.

That this resolution be spread upon the journal of the house and a copy thereof be forwarded by the chief clerk of the house to the President of the Senate of the United States.

The foregoing is a true and correct copy of the resolution adopted by the house of representatives the 29th day of March 1933.

E. F. WHITE,
Chief Clerk House of Representatives.
GROVER C. TALBOT,
Speaker House of Representatives.

CHANGE IN DATE OF THE INAUGURATION

The VICE PRESIDENT laid before the Senate a letter from the secretary of state of Maryland, together with certified copy of a joint resolution adopted by the General Assembly of Maryland, ratifying the twentieth amendment to the Constitution, which were ordered to lie on the table, as follows:

EXECUTIVE DEPARTMENT,
Annapolis, Md., March 31, 1933.

Hon. JOHN N. GARNER,
President of the Senate, Washington, D.C.

MY DEAR MR. PRESIDENT: At the request of Governor Ritchie I have the honor to transmit herewith a certified copy of Joint Resolution No. 3, adopted by the General Assembly of Maryland, ratifying the twentieth amendment to the Constitution of the United States.

With kindest regards, I am, respectfully yours,

DAVID C. WINEBRENNER 3D,
Secretary of State.

THE STATE OF MARYLAND,
EXECUTIVE DEPARTMENT.

I, Albert C. Ritchie, Governor of the State of Maryland, and having control of the great seal thereof, do hereby certify, that the attached is a true and correct copy of Joint Resolution No. 3, being Senate Resolution No. 1, of the acts of the General Assembly of Maryland of 1933.

In testimony whereof, I have hereunto set my hand and have caused to be hereto affixed the great seal of the State of Maryland at Annapolis, Md., this 31st day of March 1933.

ALBERT C. RITCHIE.

By the Governor.
[SEAL] DAVID C. WINEBRENNER 3D,
Secretary of State.

Joint Resolution 3

A joint resolution ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress.

Whereas at the first session of the Seventy-second Congress of the United States of America it was—

Resolved by the Senate and House of Representatives of the United States in Congress assembled (two thirds of each House concurring therein), That the following article be proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three fourths of the several States, shall be valid to all intents and purposes as part of the Constitution, viz:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January and the terms of Senators and Representatives at noon on the 3d day of January of the years in which such terms would have ended if this article had not been ratified, and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President-elect shall have died, the Vice-President-elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term or if the President-elect shall have failed to qualify, then the Vice-President-elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President-elect nor a Vice-President-elect shall have qualified, declaring who shall then act as President or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice may have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three fourths of the several States within 7 years from the date of its submission": Therefore be it

Resolved by the General Assembly of the State of Maryland:

1. That the foregoing amendment to the Constitution of the United States be and the same is hereby ratified to all intents and purposes as a part of the Constitution of the United States.

2. That the Governor of the State of Maryland be and he is hereby requested to forward to the Secretary of State and to the Presiding Officer of the United States Senate and to the Speaker of the House of Representatives of the United States an authentic copy of the foregoing resolution.

Approved.

The VICE PRESIDENT also laid before the Senate a letter from the Governor of New Mexico, together with a joint resolution adopted by the Legislature of New Mexico, ratifying the twentieth amendment to the Constitution, which were ordered to lie on the table and to be printed in the RECORD, as follows:

EXECUTIVE OFFICE,
Santa Fe, N.Mex., March 28, 1933.

Hon. JOHN N. GARNER,
President of the Senate, Washington, D.C.

MY DEAR MR. PRESIDENT: I have the honor to transmit herewith certified copy of Senate Joint Resolution No. 1, being "joint resolution ratifying the proposed amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress", approved January 30, 1933.

I am, sir, respectfully yours,

ARTHUR SELIGMAN,
Governor of New Mexico.

STATE OF NEW MEXICO,
OFFICE OF THE SECRETARY OF STATE.

Certificate

I, Mrs. Marguerite P. Baca, secretary of state of the State of New Mexico, do hereby certify that the following is a full, true, and correct copy of Senate Joint Resolution No. 1 of the Eleventh Legislature of the State of New Mexico: Senate Joint Resolution No. 1, joint resolution ratifying the proposed amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress.

Given under my hand and the great seal of the State of New Mexico, at the city of Santa Fe, the capital, on this 28th day of March A.D. 1933.

[SEAL] JOSÉ A. BACA,
Assistant Secretary of State.

Senate Joint Resolution 1 (introduced by Senator Fred E. Wilson)

Joint resolution ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

Whereas at the first session of the Seventy-second Congress of the United States of America it was—

Resolved by the Senate and House of Representatives of the United States in Congress assembled (two thirds of each house concurring therein), That the following article be proposed as an amendment to the Constitution of the United States, which when ratified by the legislatures of three fourths of the several States shall be valid to all intents and purposes as part of the Constitution, viz:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President-elect shall have died, the Vice-President-elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President-elect shall have failed to qualify, then the Vice-President-elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President-elect nor a Vice-President-elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the Legislatures of three fourths of the several States within 7 years from the date of its submission." And

Whereas said proposed amendment has been duly certified to the Governor of this State, and by him placed before the legislature for consideration: Now, therefore, be it

Resolved by the Legislature of the State of New Mexico, duly convened, That the foregoing proposed amendment to the Constitution of the United States of America be, and the same hereby is, ratified by the Legislature of the State of New Mexico; and be it further

Resolved, That certified copies of this joint resolution be forwarded by the governor of this State to the Secretary of State of the United States of America, to the presiding officer of the Senate of the United States, and to the Speaker of the House of Representatives of the United States.

A. W. HOCKENHULL,
President of the Senate.

Attest:

F. E. MCCULLOCH,
Chief Clerk of the Senate.
ALVAN N. WHITE,
Speaker of the House of Representatives.

Attest:

GEO. W. ARMIJO,
Chief Clerk of the House of Representatives.

Approved by me this 30th day of January, 1933.

ARTHUR SELIGMAN,
Governor of New Mexico.

Filed in office of secretary of state of New Mexico, January 30, 1933.

Mrs. M. P. BACA, *Secretary.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted at a conference of the New Jersey Federation of Young Men's Hebrew Associations and Young Women's Hebrew Associations held in Newark, N.J., protesting against the intolerance directed against and the persecution of the Jews in Germany, and requesting the President to use his good offices in the premises with the German Government, which were referred to the Committee on Foreign Relations.

Mr. FESS presented a resolution adopted by the Common Council of the City of Akron, Ohio, favoring the passage of legislation authorizing the Postmaster General to issue a special series of postage stamps of the denomination of 3 cents commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment as brevet brigadier general of the Continental Army on October 13, 1783, of Thaddeus Kosciusko, which was referred to the Committee on Post Offices and Post Roads.

Mr. COPELAND presented a resolution adopted by the Rockaway Civic Club, Inc., of Rockaway Park, N.Y., favoring the passage of legislation to modify certain contractual rights to prohibit the foreclosure of mortgages on small homes and to provide that mortgage interest payments above 4 percent and amortization payments be waived and deficiency judgments be abrogated, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted at a conference of several labor groups in Rockland County, N.Y., favoring the passage of legislation establishing compulsory Government systems of unemployment insurance and also the so-called "workers' rights" amendment to the Constitution, which was referred to the Committee on Education and Labor.

He also presented resolutions of the Elmira (N.Y.) Branch of the American Association of University Women, favoring the prohibition of tax exemption on future issues of Federal securities and the levying of a tax on present exempt securities, which were referred to the Committee on Finance.

He also presented resolutions adopted by the Merchants and Salesmen Club of Brooklyn, by representatives of certain churches, temples, and organizations of Niagara Falls, and by citizens of Nassau County, all in the State of New York, protesting against the intolerance directed against and the persecution of the Jews in Germany, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by Carrington-Fuller Post, No. 800, American Legion Auxiliary, of Groton, N.Y., favoring the maintenance of the land, sea, and air forces and the carrying out of the provisions of the National Defense Act, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Seneca Falls, N.Y., praying for the passage of legislation for the relief of unemployment, which was ordered to lie on the table.

Mr. JOHNSON presented the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Irrigation and Reclamation:

Senate Joint Resolution 16, relative to memorializing Congress to enact legislation providing for the suspension in payment of charges due from Federal reclamation-project settlers to the United States and providing for a loan to the reclamation fund to replace the income thereto thus suspended

Whereas there have been introduced into the United States Senate for passage Senate bills 5417 and 5607, which are complementary one to the other, the first providing for a suspension in payment of charges due from the Federal reclamation-project settlers to the United States and in the amount of which charges and for like period of time the principal source of income to the reclamation fund is likewise delayed; and the second providing for a loan to the reclamation fund to replace the income thereto thus suspended; and

Whereas such suspension of construction charges has become necessary on account of the extreme low prices affecting all agricultural communities; and

Whereas unless the loan above referred to is made to the reclamation fund the activities of the Bureau in carrying out the long-established governmental policies relating to reclamation must stop; and

Whereas there has already been authorized by the Congress of the United States the construction of irrigation projects under the provision of the Reclamation Act; and

Whereas many of said Federal projects are now only partially completed, and therefore incapable of performing the service for which they were intended, or of any substantial self-liquidation of their present costs until the same are completed; and

Whereas the settlers upon numerous privately initiated irrigation districts of the Western States are on the verge of being forced out of their homes—to swell the throng of urban unemployed—because of an inadequate water supply due to lack of storage and necessity for repair of distribution facilities, and a supplemental water supply can be made most readily available by the Federal Reclamation Bureau upon a sound engineering and economic set-up; and

Whereas delays in completion of projects already begun and the commencement of those projects designed to rehabilitate worthy existent enterprises will result in serious loss to the United States generally and to the Western States particularly in (a) direct increase in unemployment through cessation of work on projects and consequent laying-off of workers, and indirect increase of unemployment in all of those industries supplying materials for the projects; (b) depreciation of works already constructed in such incomplete projects, and of idle money therein invested; and (c) the crushing blow to those under said projects (with their dependent communities) having inadequate water supply and having staked all in faith upon the Federal Government's completing that which it has undertaken and in commencing needed construction to supplement the water supply of those worthy private projects; and failure to enact said bills, or similar legislation, will result in the discharge of thousands of men now employed and the consequent loss in purchasing power for consumption of both farm and industrial projects and add to the depression prevailing in all markets; and

Whereas we understand that the program of the Reclamation Bureau, if the aforementioned legislation is enacted, is to be confined strictly during the period provided for in the loan to doing those things necessary to place existent projects on a sound and workable basis, and does not contemplate initiating work on any projects, either Federal or otherwise, not now developed to a material extent, and therefore does not propose the bringing under

irrigation of any appreciable areas of land not now irrigated: Therefore be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States, in furtherance of established national policies of reconstruction and reclamation, should enact, without delay, United States Senate bills 5417 and 5607 into laws; and be it further

Resolved, That the secretary of the Senate of the State of California be, and he is hereby, directed forthwith to transmit a copy of this memorial to each, the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and to the California delegation in Congress, with a request that they expeditiously promote the enactment into law of United States Senate bills 5417 and 5607.

Mr. JOHNSON also presented a joint resolution of the Legislature of the State of California, memorializing Congress to enact legislation to subsidize the production of gold by issuing to every producer of 200 ounces or less of primary gold per month a bond of the value of $5 for each ounce thereof, etc., which was referred to the Committee on Mines and Mining.

(See joint resolution printed in full when laid before the Senate by the Vice President on March 28, 1933, p. 895 CONGRESSIONAL RECORD.)

Mr. JOHNSON also presented a joint resolution of the Legislature of the State of California, extending a most cordial welcome to the delegates and visitors of the United Spanish War Veterans, their auxiliaries and affiliated organizations, in attendance at the thirty-fifth national encampment, etc., which was referred to the Committee on Pensions.

(See joint resolution printed in full when laid before the Senate by the Vice President on March 28, 1933, pp. 903–904 CONGRESSIONAL RECORD.)

Mr. WHEELER presented resolutions adopted by the Board of Trade of Wallace, Idaho; the Chamber of Mines of Seattle; and Canniwai Grange, of Govan, both in the State of Washington, favoring the passage of legislation known as the Wheeler silver bill, providing for the remonetization of silver, which were referred to the Committee on Banking and Currency.

He also presented petitions of J. R. Crow and 575 other citizens, and the Pohlman Investment Co., by J. C. Pohlman, all of Spokane, Wash., praying for the passage of legislation known as the Wheeler silver bill, providing for the remonetization of silver, which were referred to the Committee on Banking and Currency.

On request of Mr. WHEELER, the body of one of the petitions was ordered to be printed in the RECORD, and it is as follows:

SILVER REMONETIZATION—A PETITION

To the honorable Congress of the United States of America:

Whereas chaos prevails throughout the world. Millions of willing workers are walking the streets of every city and hamlet in almost every civilized nation seeking employment without success; and

Whereas this universal unemployment situation has been a prime factor in bringing about a general stagnation in business by reason of the destruction of the unlimited purchasing power represented by this great army of intelligent laborers and patriotic citizens when they are on the pay roll, but now idle; and

Whereas as a result of this condition the hideous ghost of bankruptcy stalks in the shadow of nearly every home, on the farm, in the factory, among business and professional men, to such an extent that but few are escaping the appalling consequences of an economic system that has well-nigh destroyed civilization; and

Whereas the available resources of every community in the United States have been exhausted by supplying necessary relief to the increasing army of unemployed, as evidenced by the fact the Reconstruction Finance Corporation has had to extend aid to every State in the Union to be parceled out locally; and

Whereas developments from day to day in commercial circles and in general business activities emphasize the fact there is a scarcity of money in circulation due to the contraction of currency in the interest of the money-changers and to the detriment of the business welfare of the Nation as a whole: Therefore be it

Resolved, That we, the undersigned citizens of the United States of America, demand that the Congress of the United States repeal the act of February 12, 1873 (known as the "crime of 1873"), by which silver was demonetized through corruption, fraud, and trickery; that silver may be restored to its former time-honored place in our monetary system as provided by the Wheeler bill, sponsored by Hon. BURTON K. WHEELER, of Montana, and thus we will ever pray with the hope that relief will be provided through immediate adoption of this meritorious measure.

THE FEDERAL RESERVE SYSTEM

Mr. WALSH. Mr. President, I present a communication in the nature of a petition urging the correction of certain weaknesses in the Federal Reserve System, and ask that it be printed in the RECORD and referred to the Committee on Banking and Currency.

The communication was ordered to be referred to the Committee on Banking and Currency and printed in the RECORD, as follows:

BOSTON, *March 27, 1933.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D.C.

DEAR SENATOR WALSH: I assume from the reports which come from Washington that there will presently be presented to the Congress a bill to strengthen the Federal Reserve System and to correct certain weaknesses in the members thereof. I have followed with some care during the past year and a half the criticisms of the Federal Reserve System and national banks, but there is one phase of the activities of national banks which ought to be corrected which I have never seen mentioned. I refer to the so-called "savings departments" of national banks.

Leaving out the Federal Reserve banks, our banking system has developed three types of banks: commercial, savings, and cooperative, or, as the last are called in other sections of the country, "home-loan banks" or "building and loan associations." Each type serves a useful purpose in the community.

The depositor in a commercial bank intends to use his deposit for commercial purposes and it is not intended to be what we might term "a permanent deposit." It fluctuates from day to day, week to week, and month to month. He wants his money available on demand, and for that reason commercial banks must of necessity keep themselves in a far more liquid condition than savings banks or cooperative banks.

Savings deposits in savings banks and savings departments of trust companies are, generally speaking, intended to be savings accounts. The depositor is saving up money for a particular purpose, such as the building of a home, the payment of a mortgage on his home, the education of his children, provisions for old age. Such a deposit as a rule does not fluctuate. It is usually built up and the depositor does not expect to need his deposit all at once. He is primarily interested in safety.

Massachusetts, long ago recognizing the difference between commercial deposits and savings deposits, has by law restricted savings banks in the type of investment into which their deposits may be put, and these restrictions apply also to the savings departments of trust companies.

The cooperative bank stands in a different position from either the commercial or the savings bank, being primarily intended to aid in the building of homes.

A mutual savings bank under our law is run for the benefit of depositors, and such profit or income from investments as the bank makes after provision for certain reserves belongs to the depositors. Trust companies having savings departments, while restricted in the securities in which they may invest the deposits of their savings department, nevertheless, after certain provision for reserves, are entitled to profits from their savings department.

Under our State law, if a trust company having a savings department is closed, the savings depositors are protected. All the assets of the savings department, which must be kept segregated in the operation of the bank when a going concern, are liquidated and the savings department depositors are entitled to 100 percent of the proceeds of their assets, and if the proceeds of those assets do not pay the savings department depositors 100 cents on the dollar of their deposits, then the savings depositors come in as general creditors on the assets of the commercial department.

I think it is fair to say that most of the depositors in our savings banks and in the savings departments of our trust companies realize that they have by virtue of the laws governing savings investments a protection which is not given to the depositors in the commercial departments of our trust companies.

When we come to examine the conditions and laws surrounding the savings departments of national banks we find a very different situation. The so-called "savings department" of a national bank is not a savings department in any true sense of the word. It is merely a higher-interest department. A depositor in the savings department of a national bank is not surrounded by safeguards like a depositor in our mutual savings bank or a depositor in the savings departments of our trust companies. There is no segregation of assets available for the depositor in the savings department of a national bank when the bank fails. On the contrary, the savings-department depositor merely shares with the commercial depositors in the pro rata distribution of the assets. In other words, the savings depositor in the savings department of a national bank takes the same risk as the depositor in the commercial department. Although his deposit is intended by him to be a very different type of deposit from a deposit in a commercial bank, I doubt if there are many, if any, depositors in the so-called "savings department" of a national bank in Massachusetts who realize that they have no protection at all when compared with the protection they get in the State savings banks and trust companies, and I have never seen any effort made on the part of the Government or any national bank to tell them that their deposits in the savings departments of national banks are not savings deposits in any true sense of the word, which is not to be wondered at.

It requires no argument to prove that savings deposits are entirely different from commercial deposits, made for a different purpose, and that they should be safeguarded and not submitted to the business risks that commercial deposits are. To hold out to people that national banks have savings departments is—at least so far as Massachusetts is concerned—a misrepresentation countenanced by the Government, because our people have, in a vague way at least, the knowledge that under our laws a deposit in a savings bank or in a savings department of a commercial bank is entirely different from a deposit in a commercial bank. It is true that in some other States—I believe in New York—under the State law a savings-department depositor in a State commercial bank stands no better than a savings depositor in a national bank—in other words, he merely comes in as a general creditor if the bank fails—but there must be other States in which the laws protecting savings depositors are similar to the laws of the State of Massachusetts.

But even if Massachusetts were the only State safeguarding savings deposits, that is no excuse for not making a distinction between savings deposits and commercial deposits. I am firmly of the opinion that no commercial bank ought to have a savings department, and I would divorce the savings departments of our trust companies, because there is too much incentive in certain trust companies to make a profit out of the savings department for the benefit of the trust companies, and therefore there is always an urge in certain trust companies not properly run to accept certain loans for the savings department, paying a high rate of interest or a bonus, solely to make a profit for the trust companies.

I also believe that in the strengthening of the Federal Reserve System and the correction of certain abuses that have crept into some of our banks this obviously unfair position in which savings depositors in national banks are placed should be corrected. If national banks are going to be allowed in the future to have savings departments, thus permitting them to compete with our mutual savings banks, restrictions and safeguards should be thrown around those savings departments and the national banks should be strictly restricted as to the securities in which they may invest their savings deposits, and in the event of the failure of a national bank having a savings department, the savings depositors should be entitled to the securities of the savings department, which should at all times be kept segregated as trust funds are kept segregated.

I realize that in strengthening our banking system and in stopping certain abuses that have crept into some of our banks the question of the protection of the savings depositors in national banks may appear to be a minor matter, but from the point of view of the savings depositors in national banks it is a very important matter. I hope that you will agree with me that this condition should be corrected and that you will do what you can to see that it is corrected.

It may be that you will think that I should have written direct to Senator GLASS, who, I understand, has the banking bill in charge in the Senate, but I felt that he was doubtless thoroughly engrossed in what we might call the major phases of the bill. It may seem wise to you to send a copy of this letter to him. Therefore, realizing that you and your office force are probably overwhelmed with work, I am enclosing a copy of this letter so that if you decide to send him a copy I may to that extent, at least, relieve your office force from the burden of making a copy.

Very truly yours,

HENRY F. HURLBURT, Jr.

ACCOMPLISHMENTS OF DEER LODGE (MONT.) FUTURE FARMERS

Mr. WHEELER. Mr. President, I present and ask to have inserted in the RECORD and appropriately referred an article from the California Future Farmer, in its issue of January 1933, showing the wonderful accomplishments of the Deer Lodge (Mont.) Chapter of the Future Farmers.

There being no objection, the article was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

ADVISER TELLS HOW CHAPTER WON NATIONAL COMPETITION

By A. W. Johnson, agriculture instructor, Deer Lodge, Mont.

In response to a request from the California Future Farmer magazine, I have listed some of the accomplishments of the Deer Lodge (Mont.) Future Farmer chapter, which were considered in awarding this chapter first place in the national chapter contest:

In 1931 the Deer Lodge chapter submitted a report in the national contest and received honorable mention in competition with the outstanding chapters in the United States. Encouraged by this recognition the local members became inspired to great endeavors with the purpose of competing in the contest of 1932. The report of activities submitted by the Deer Lodge chapter in the recent contest contained seven books of prepared records covering home farm projects, cooperative activities, fair exhibits, community activities, and leadership activities. One large volume contained photographs of the various activities; two beautiful placques received for the distinction of winning first place in the State chapter contests of 1930 and 1931 also made up a part of the report. The record was shipped in a beautiful, neatly constructed cedar chest encased in a shipping box painted in the national colors, blue and gold.

Following are some of the accomplishments and activities carried out by the 34 members of the local chapter the past year. These boys owned and kept records on 580 head of dairy cattle, swine, beef cattle, and sheep; 367 head of poultry, and 10 acres of certified seed potatoes. Thirty-seven offices in class organizations, student organizations, national honorary society, State Future Farmer of America Association, letter club, De Molay organization, booster organization, and local Future Farmers of America organization were held by these farm boys. Deer Lodge Future Farmers took part in the Future Farmer Pacific international livestock-judging contest at Portland and in the American royal livestock-judging contest at Kansas City, Mo. In the State contests Deer Lodge won first place in both the oratorical contest and chapter contest and ninth place in livestock-judging contests. The members held interchapter contests of basketball, farm, shop, marksmanship, and livestock-judging contests; 4,000 pounds of gopher poison was mixed and distributed at cost; county exhibits were collected and transported to the State fair; a boys' and girls' industrial day fair was sponsored by the local chapter. One summer camp; 1 fathers, mothers, and sons' banquet; 2 community programs; and 3 interchapter stock-judging contests were a part of the recreational activities carried out.

Many improved farm practices were carried out by the boys, such as use of commercial fertilizers, certified seed, seed treatment, livestock vaccination, and use of purebred livestock. A farmers' news letter was prepared and sent to 350 farmers each month.

A total investment of $7,622.70 in farming with an average investment of $224 per boy in farming was the farming record of the 34 young farmers. One hundred and seventy-six dollars and eighty-two cents was deposited by the members in the local Future Farmers of America thrift account, and $236 was earned and used for expenses of the chapter.

Other items are:

The State Future Farmers of America president and the State Future Farmers of America reporter are Deer Lodge chapter members.

Three local Future Farmers were raised to the State farmer degree in 1932.

Ninety-four percent of projects are owned by the boys.

One hundred percent of members planted and cared for a garden in 1932 and organized a county garden club for relief work, with a membership of 80.

A Deer Lodge Future Farmer gave the State report at the Pacific International, 1931.

A Deer Lodge Future Farmer gave the State report at the convention at Kansas City in 1931.

One hundred percent of membership cooperated in mixing gopher poison for distribution to county farmers.

A member won second in the Western States essay contest in 1931.

Members cooperatively bought 32 head of purebred Duroc Jersey swine.

Members cooperatively bought 9,000 pounds of certified seed potatoes.

TWO-CENT POSTAGE

Mr. HALE. Mr. President, I present a memorial of the legislature of my State asking for the restoration of the 2-cent postal rate, which I request may be printed in the RECORD and appropriately referred.

The memorial was referred to the Committee on Finance, and it is as follows:

STATE OF MAINE, *1933*.

Memorial to the Congress of the United States urging it to restore the 2-cent postage rate

Whereas the Eighty-sixth Legislature of the State of Maine, believing that the present postage rate has and will seriously affect the use of the mails and that the present rate has increased the overhead of business concerns to a large degree, makes the following recommendation:

Resolved by the Senate and House of Representatives of the State of Maine in legislature assembled, That we urge the Congress of the United States to provide for the restoration of the postal rate to the former 2-cent basis; and be it further

Resolved, That certified copies of this resolution duly certified by the secretary of state be forwarded to the President of the Senate and to the Speaker of the House of Representatives at Washington and to each of the several Senators and Representatives from the State of Maine in the Congress of the United States.

HOUSE OF REPRESENTATIVES.

Read and adopted; sent up for concurrence March 29, 1933.

HARVEY R. PEASE, *Clerk*.

IN SENATE CHAMBER, *March 29, 1933*.

Read and adopted in concurrence.

ROYDEN V. BROWN, *Secretary*.

STATE OF MAINE,
OFFICE OF SECRETARY OF STATE.

I, Robinson C. Tobey, secretary of state of the State of Maine, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of the memorial to the Congress of the United States, of the Senate and House of Representatives of the State of Maine in legislature assembled, with the original thereof, and that it is a full, true, and complete transcript therefrom and of the whole thereof.

In testimony whereof I have caused the seal of the State to be hereunto affixed. Given under my hand at Augusta, this 29th day of March, A.D. 1933, and in the one hundred and fifty-seventh year of the independence of the United States of America.

[SEAL] ROBINSON C. TOBEY,
Secretary of State.

MEMORIAL TO THE LATE MAYOR CERMAK

Mr. THOMAS of Oklahoma. Mr. President, the House of Representatives of the State of Oklahoma has passed resolutions memorializing Congress to create a memorial to the late Mayor Cermak, of Chicago, Ill. I ask that these resolutions may be printed in the RECORD and referred to the Committee on the Library.

The resolutions were referred to the Committee on the Library, and they are as follows:

Engrossed House Resolution (by Kight)

A resolution memorializing the President of the United States and the Congress to create a Cermak memorial; making appropriation for its operation, defining the construction of the same; providing for the handling of the same; naming the agencies through which it shall be carried on, and providing its work

Be it resolved by the House of Representatives of the Fourteenth Legislature of the State of Oklahoma:

Whereas we are advised on the best of authority that "Greater love can no man have than this, that he lay down his life for his friend"; and

Whereas Mayor Anton Cermak, of Chicago, recently exemplified the greatest love for his friend; and

Whereas his friend happened to be one who is now the Chief Executive of the United States; and

Whereas the loss of Mayor Cermak's friend at that time would have in all probability under existing conditions proven a calamity if not a fatality to our Nation; and

Whereas we believe that it would be fitting at this time to institute some kind of a movement to put in operation a "save a life" movement, as a memorial to one who acclaimed, "I am glad it was I and not you, Mr. President," and who gladly and proudly made the supreme sacrifice for the saving of the life of another: Now, therefore, be it

Resolved, by the House of Representatives of the Fourteenth Legislature of the State of Oklahoma, That the President of the United States and the Congress thereof, be and they are hereby memorialized to create the Cermak memorial, and to appropriate a sufficient sum to carry on a lasting, living memorial to the man who gave his life for the President of the United States, and the same to have for its purpose saving the lives of under-privileged children of our Nation, and to carry on a campaign, through the various health departments of the States of the Union, to be in charge of such health departments to set the standard and define the program; and since in every time of the Nation's distress, whether it be for war or economic measures, it has been the womanhood of the Nation that has rallied to the distress cry of the unfortunate, and never in the history of the Nation has there been a greater peril than at this time, we believe it fitting that the Federation of Women's Clubs should be allied together for the purpose of the health and welfare of the children of the Nation, and should be joined with the various health departments in this great philanthropic work. This work shall be divided into units now provided for by the Federated Clubs of Women, known as districts, and the district president making the greatest number of points in the promotion of the outlined health program, as set up by her State health department, shall receive a medal of honor from the President of the United States, to be designed by him, and on one side to present a likeness of the martyred mayor, and on the other side the face of a child.

The definite plan and outline of work and activities shall be planned by the health department of each State, and to cover: Standards of sanitation, child health examinations, tabulation of children's defects, correction of defects, children under treatment for defects, dental examination and correction of mouth defects, immunization against communicable diseases, typhoid, dyphtheria, and smallpox, plans for the prevention of malnutrition, food conservation, free lunches and milk, tubercular and bacillus abortis of cows, clean dairies, health certificates for all those who handle milk and milk products, health certificates for all school officials, rural sanitation, safe water supply at schools, homes, and churches, sanitary toilets, fly-protected buildings and dwellings, campaigns against malaria, control of mosquito breeding places, adequate screening, education in prenatal care, the care of indigent mothers, maternity beds in hospitals, the donation of wearable and usable articles of clothing, program for social improvement of the unfortunate children of the community, some form of social activity for the wives and mothers of the R.F.O. workers, reclaiming delinquent children, finding homes for orphan children, community and rural contracts reaching the remote districts and communities, and finding the hidden talent in children; be it

Resolved, further, That an engrossed copy of this resolution be forwarded to the President of the United States, a copy to each Senator and Representative from the State of Oklahoma, and a copy to the family of Mayor Cermak.

Adopted by the house of representatives the 28th day of March, 1933.

TOM ANGLER,
Speaker of the House of Representatives.

LIVESTOCK MARKETING CHARGES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a copy of House Concurrent Resolution No. 31, adopted by the Kansas Legislature, requesting the Secretary of Agriculture to exercise the powers granted him under the Packers and Stockyards Act of 1922, to procure a reduction in marketing charges for livestock.

Mr. President, it is highly necessary, as well as eminently fair and right, that these charges should be reduced. Livestock prices have been cut in two, in some instances more than cut in two. But marketing charges and transportation charges are still at the inflated level. And they are too high. There is no question about that.

Livestock prices have been deflated. Charges have not. This country cannot continue to do business—I should rather say it cannot begin to resume business—with agriculture deflated and transportation and marketing costs not deflated also. I am aware that the matter of transportation charges are not mentioned in this resolution, but it also is true that freight charges must come down.

While I believe that the Secretary of Agriculture has power under existing law to make these reductions in marketing charges effective, I want to say that if he has not it is the duty of Congress to enact further legislation giving him that power; and I will gladly introduce needed legislation along that line and endeavor to secure its passage. I send the resolution to the desk.

The concurrent resolution was referred to the Committee on Agriculture and Forestry, and it is as follows:

House Concurrent Resolution No. 31

A resolution relating to livestock marketing charges and urging a reduction of such charges

Whereas the prices of cattle, hogs, sheep, and other livestock are now the lowest they have been within the last century; and

Whereas the yardage, commission, and feed charges imposed upon the livestock raiser in marketing his livestock are but slightly lower than the highest level in history; and

Whereas the combination of low market prices and high marketing charges results in enormous losses to the raisers of livestock and has caused and is causing financial ruin to them: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas (the senate concurring therein), That this legislature takes cognizance of the vast disparity between market prices and the marketing charges now imposed by the various purchasing agencies upon raisers of livestock and of the unfairness therein to the livestock raisers; be it further

Resolved, That the agencies controlling the charges for marketing livestock are urged to voluntarily reduce such charges commensurate with the reduction in prices and costs made in other industries, to the end that some measure of relief may be given to distressed raisers of livestock; be it further

Resolved, That the Secretary of the United States Department of Agriculture is hereby requested and urged to secure the cooperation of the purchasing agencies in reducing such marketing charges, and to exercise the authority vested in him under the Packers and Stockyards Act of 1922 to bring about an adjustment of such charges; be it further

Resolved, That a copy of this resolution be sent by the secretary of state to the presidents of the stockyards companies and livestock exchanges at Wichita, Kans.; Kansas City, Mo.; St. Joseph, Mo.; Omaha, Nebr.; St. Louis, Mo.; and Chicago, Ill., and to the Secretary of the United States Department of Agriculture and to the Chief of the Packers and Stockyards Division in the United States Department of Agriculture, and to each of the Kansas Members in Congress.

I hereby certify that the above concurrent resolution originated in the house and passed that body March 10, 1933.

W. H. VERNON,
Speaker of the House.
W. T. BISHOP,
Chief Clerk of the House.

Passed the senate March 17, 1933.

CHAS. W. THOMPSON,
President of the Senate.
RAY H. WELDEN,
Assistant Secretary of the Senate.

PURCHASE OF SECURITIES OF INSURANCE COMPANIES

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 1094) to provide

for the purchase by the Reconstruction Finance Corporation of preferred stock and/or bonds and/or debentures of insurance companies, reported it with amendments and submitted a report (No. 15) thereon.

INVESTIGATION OF BANKING BUSINESS AND SECURITY EXCHANGES

Mr. FLETCHER. Mr. President, from the Committee on Banking and Currency, I report back favorably, with an amendment, Senate Resolution 56, to enlarge the authority of that committee, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read Senate Resolution 56, submitted by Mr. FLETCHER March 31, 1933, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, in addition to the authority granted under Senate Resolution 84, Seventy-second Congress, agreed to March 4, 1932, and continued in force by Senate Resolution 239, Seventy-second Congress, agreed to June 21, 1932, and further continued by Senate Resolution 371, Seventy-second Congress, agreed to February 28, 1933, shall have authority and hereby is directed—

1. To make a thorough and complete investigation of the operation by any person, firm, copartnership, company, association, corporation, or other entity, of the business of banking, financing, and extending credit; and of the business of issuing, offering, or selling securities;

2. To make a thorough and complete investigation of the business conduct and practices of security exchanges and of the members thereof;

3. To make a thorough and complete investigation of the practices with respect to the buying and selling and the borrowing and lending of securities which are traded in upon the various security exchanges, or on the over-the-counter markets, or on any other market, and of the values of such securities; and

4. To make a thorough and complete investigation of the effect of all such business operations and practices upon interstate and foreign commerce, upon the industrial and commercial credit structure of the United States, upon the operation of the national banking system and the Federal Reserve System, and upon the market for securities of the United States Government, and the desirability of the exercise of the taxing power of the United States with respect to any such business and any such securities, and the desirability of limiting or prohibiting the use of the mails, the telegraph, the telephone, and any other facilities of interstate commerce or communication with respect to any such operations and practices deemed fraudulent or contrary to the public interest.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, either in the District of Columbia or elsewhere, during the first session of the Seventy-third Congress or any recess thereof, and until the beginning of the second session thereof; to employ such experts and clerical, stenographic, and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents; to administer such oaths and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

The VICE PRESIDENT. The amendment of the committee will be stated.

The CHIEF CLERK. After the word "telephone" in line 20 it is proposed to insert the word "radio."

The VICE PRESIDENT. The Senator from Florida requests unanimous consent for the present consideration of the resolution.

Mr. McNARY. Mr. President, under the rule and practice of the Senate, a resolution of this character must necessarily go to the Committee to Audit and Control the Contingent Expenses of the Senate. I ask that the resolution be so referred.

The VICE PRESIDENT. That is the rule of the Senate.

Mr. COUZENS. Mr. President, before the Senator objects, let me say to him that this is not a new appropriation of money. The committee will carry on the investigation under an appropriation already approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON of Arkansas. May I inquire if the resolution contemplates any additional expense?

Mr. COUZENS. It does not contemplate any additional expense over and above what has already been approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON of Arkansas. Then the rule referred to by the Senator from Oregon does not apply.

Mr. FLETCHER. Mr. President, I will say to the Senator that this resolution is supplementary to a resolution already adopted by the Senate. It is in the nature of an amendment to a resolution which has already been adopted.

Mr. McNARY. It is my conviction that it does imply an additional expenditure of public funds, and I shall ask that it go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FLETCHER. I think that is wholly unnecessary. The Senator from Michigan has pointed out that the appropriation has already been made, and it does not call for any new appropriation.

Mr. COUZENS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. Under the rule, is an amendment to a resolution heretofore adopted by the Senate and carrying no additional appropriation required to go to the Committee to Audit and Control the Contingent Expenses of the Senate?

The VICE PRESIDENT. The parliamentary clerk advises the Chair that the precedents are that it is subject to the rule in that it makes a charge on the contingent fund.

Mr. ROBINSON of Arkansas. Mr. President, it should not be subject to the rule unless it imposes an additional expenditure, a cost in addition to that which has already been authorized. If the resolution does not impose a charge, it would not necessarily go to the Committee to Audit and Control the Contingent Expenses of the Senate. Of course, any report from a committee, if objection is made, must lie over; but the objection which has been made that this amendment to a resolution heretofore adopted must go over because it must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate is apparently incorrect.

Mr. FESS. Mr. President——

Mr. ROBINSON of Arkansas. I yield to the Senator from Ohio.

Mr. FESS. There is a provision in the resolution which imposes the usual limitation we always write in original resolutions limiting the amount that may be paid to stenographers, and so on. I think that, under a strict interpretation of the rule, it would have to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON of Arkansas. If the resolution does not contemplate any additional expenditure, there is no reason for referring it to the Committee to Audit and Control the Contingent Expenses of the Senate. The object of that committee and of referring resolutions to it is to keep the expenditures of the Senate within proper limits. If the resolution does not add any additional expense, it ought not of necessity to go to the Committee to Audit and Control the Contingent Expenses of the Senate. Of course, as I have already said, an objection would carry over the report on other grounds and under other provisions of the rule; but why should anyone insist on sending this resolution to the Committee to Audit and Control the Contingent Expenses of the Senate if it does not involve an additional expenditure? Let any Senator answer me that question, and I shall have nothing further to say.

Mr. BORAH. Mr. President——

Mr. ROBINSON of Arkansas. I yield.

Mr. BORAH. May I ask what change the amendment makes in the original resolution in the way of an additional authority? What is the purport of the amendment?

Mr. FLETCHER. It gives the committee somewhat larger jurisdiction. It extends that jurisdiction so as to enable the committee to make some inquiries it is desirous of making. The resolution is broadened so that there can be no objection to our making the investigation which we have been directed to make.

Mr. BORAH. I know it broadens it, but what is undertaken to be covered by broadening it?

Mr. COUZENS. Mr. President, may I answer the Senator's question?

Mr. FLETCHER. I yield to the Senator from Michigan.

Mr. COUZENS. May I point out that Mr. Pecora, the counsel for the Committee on Banking and Currency, asked

the Morgan house to answer 23 questions? The Morgan house agreed to answer 17 of them; they distinctly refused to answer 1; and as to the other questions, they said they would take them under consideration. One of the questions, as I recall, that the counsel asked Morgan & Co. was how much they divided among the partners, and, as I understood, Mr. John W. Davis advised the Morgan house that they need not answer that question. This resolution extends the power of the Banking and Currency Committee so that they may require an answer to that question. That is just one of the elements which we thought necessitated the reporting of this resolution.

Mr. BORAH. What I should like to know is, by what language or terms is it undertaken to compel them to answer that question? It presents a rather interesting point.

Mr. FLETCHER. In large part this resolution is simply a repetition of the resolution heretofore adopted.

Mr. BORAH. I understand that.

Mr. FLETCHER. It enlarges the previous resolution so as to go into private banking or investment security concerns which raise some question about our authority to inquire into their affairs.

Mr. BORAH. The resolution, then, includes private banking, and so forth?

Mr. FLETCHER. I will say to the Senator that there are private bankers, for instance, in the city of New York—and there may be others elsewhere; but in New York, we will say—who are exempt from any supervision or control or suggestion from the bank commissioner of the State; they operate without any sort of supervision or regulation on the part of any State or National authority.

Mr. BORAH. Have the committee been advised that they have the legal authority or right to make this additional inquiry?

Mr. FLETCHER. Yes; we think beyond any doubt we have that authority. I will say, Mr. President, that this resolution was submitted last Friday; it has been printed, so that the substance of it is not entirely new. It was considered by the Banking and Currency Committee on Saturday and was reported out unanimously with only one amendment, and that was adding the word "radio" after the word "telephone." The resolution is here with the unanimous report of the committee. We feel that we ought to have this authority in order to proceed with the investigation.

The VICE PRESIDENT. The Senator from Oregon objects and the resolution will go over under the rule. However, may the Chair say with reference to the point of order made by the Senator from Oregon that the reasoning of the rule seems to be this: That any resolution making an original charge or an additional charge on the contingent fund of the Senate must go to the Committee to Audit and Control the Contingent Expenses of the Senate. This resolution requires additional labors on the part of the Committee on Banking and Currency, and it seems logical that if it does require additional labors, the Banking and Currency Committee might incur additional expenses to come from the contingent fund of the Senate. However, it is not necessary for the Chair to pass upon that question, for the reason that the Senator from Oregon has objected to the consideration of the resolution today.

Mr. FLETCHER. May I ask the Senator from Oregon if he will not now have the resolution referred to the committee, so that there will be no delay?

Mr. McNARY. I think the Chair misunderstands my attitude. I believe, from the knowledge that I have of the rules and precedents, that this resolution should go to the Committee to Audit and Control the Contingent Expenses of the Senate. It certainly enlarges the authority of the committee.

The VICE PRESIDENT. The Chair so held in the beginning.

Mr. McNARY. The Chair holds that it goes to the Committee to Audit and Control the Contingent Expenses of the Senate. Otherwise, I should invoke the rule. I am content to have it go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FLETCHER. That is what I am asking; that the Senator from Oregon now permit the resolution to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON of Arkansas. It goes automatically to that committee.

Mr. McNARY. I said that I thought it should go to the Committee to Audit and Control the Contingent Expenses of the Senate. I insist on that disposition, and that is what was ruled by the Chair, and so it goes there.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on March 31, 1933, the President approved and signed the following acts:

S. 562. An act relating to the prescribing of medicinal liquors; and

S. 598. An act for the relief of unemployment through the performance of useful public work, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON of Indiana:

A bill (S. 1107) for the relief of Joseph W. Thompson; to the Committee on Civil Service.

A bill (S. 1108) for the relief of Thomas F. Fitzgibbon; to the Committee on Military Affairs.

A bill (S. 1109) granting a pension to Grace B. Lawrence; to the Committee on Pensions.

By Mr. REED:

A bill (S. 1112) amending section 1 of the act of March 3, 1893 (27 Stat.L. 751), providing for the method of selling real estate under an order or decree of any United States court; to the Committee on the Judiciary.

A bill (S. 1113) authorizing adjustment of the claim of Schutte & Koerting Co.;

A bill (S. 1114) for the relief of the estate of Harry F. Stern; and

A bill (S. 1115) to authorize the Department of Agriculture to issue a duplicate check in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, the original check having been lost; to the Committee on Claims.

A bill (S. 1116) granting an increase of pension to Elizabeth Craven; and

A bill (S. 1117) granting an increase of pension to Annie Holliday; to the Committee on Pensions.

By Mr. DICKINSON:

A bill (S. 1118) for the relief of George J. Bloxham; and

A bill (S. 1119) for the relief of Fred A. Robinson; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 1120) granting compensation to Ella R. Trussell; to the Committee on Finance.

A bill (S. 1121) for the relief of Burk W. Burns; to the Committee on Claims.

A bill (S. 1122) granting a pension to Golda Stump Darr;

A bill (S. 1123) granting a pension to Tom B. Jimmerfield;

A bill (S. 1124) granting a pension to Margaret Kingery; and

A bill (S. 1125) granting a pension to Joseph Wilfong; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 1126) for the relief of M. M. Twichel; to the Committee on Indian Affairs.

By Mr. TRAMMELL:

A bill (S. 1127) to provide for the payment of one half the amount of losses sustained on account of the campaign for the eradication of the Mediterranean fruit fly in Florida, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. REED:

A joint resolution (S.J.Res. 37) granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service; John D. Long, Medical Director United States Public Health Service; and Clifford R. Eskey, surgeon, United States Public Health Service, to accept and wear certain decorations bestowed upon them by the Governments of Ecuador, Chile, and Cuba; to the Committee on Foreign Relations.

STABILIZATION OF THE COMMODITY PRICE LEVEL

Mr. CONNALLY. Mr. President, I ask consent to introduce a bill providing for the reduction of the gold content of the dollar and establishing thereafter a system by which the number of ounces of gold for which the dollar will be redeemed will be regulated by the index of commodity prices.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1111) to raise the commodity price level to the debt-incurrence stage and to stabilize it thereafter was read twice by its title and referred to the Committee on Banking and Currency.

5-DAY WEEK AND 6-HOUR DAY—AMENDMENT

Mr. DILL and Mr. GOLDSBOROUGH each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 158) to prevent interstate commerce in certain commodities and articles produced or manufactured in industrial activities in which persons are employed more than 5 days per week or 6 hours per day, which were ordered to lie on the table and to be printed.

AMENDMENT OF EMERGENCY RELIEF AND CONSTRUCTION ACT, 1932

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (S. 509) to amend the Emergency Relief and Construction Act of 1932, which was referred to the Committee on Banking and Currency and ordered to be printed.

AGRICULTURAL RELIEF—AMENDMENTS

Mr. CAREY submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (H.R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power, which was ordered to lie on the table and to be printed.

Mr. BULKLEY submitted an amendment intended to be proposed by him to House bill 3835, the agricultural relief bill, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

A NATIONAL PLAN FOR AMERICAN FORESTRY

Mr. COPELAND submitted the following resolution (S.Res. 57), which was referred to the Committee on Printing:

Resolved, That the report of the Department of Agriculture, entitled "A National Plan for American Forestry", transmitted to the Senate on March 30, 1933, in response to Senate Resolution 175, Seventy-second Congress, be printed with illustrations as a Senate document.

EMERGENCY RELIEF OF AGRICULTURAL INDEBTEDNESS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, referred to the Committee on Banking and Currency, and ordered to be printed, as follows:

To the Congress:

As an integral part of the broad plan to end the forced liquidation of property, to increase purchasing power and to broaden the credit structure for the benefit of both the producing and consuming elements in our population, I ask the Congress for specific legislation relating to the mortgages and other forms of indebtedness of the farmers of the Nation. That many thousands of farmers in all parts of the country are unable to meet indebtedness incurred when their crop prices had a very different money value is well known to all of you. The legislation now pending, which seeks to raise agricultural-commodity prices, is a definite step to enable farm debtors to pay their indebtedness in commodity terms more closely approximating those in which the indebtedness was incurred; but that is not enough.

In addition the Federal Government should provide for the refinancing of mortgage and other indebtedness so as to accomplish a more equitable readjustment of the principal of the debt, a reduction of interest rates, which in many instances are so unconscionably high as to be contrary to a sound public policy, and, by a temporary readjustment of amortization, to give sufficient time to farmers to restore to them the hope of ultimate free ownership of their own land. I seek an end to the threatened loss of homes and productive capacity now faced by hundreds of thousands of American farm families.

The legislation I suggest will not impose a heavy burden upon the National Treasury. It will instead provide a means by which, through existing agencies of the Government, the farm owners of the Nation will be enabled to refinance themselves on reasonable terms, lighten their harassing burdens and give them a fair opportunity to return to sound conditions.

I shall presently ask for additional legislation as a part of the broad program, extending this wholesome principle to the small home owners of the Nation, likewise faced with this threat.

Also, I shall ask the Congress for legislation enabling us to initiate practical reciprocal tariff agreements to break through trade barriers and establish foreign markets for farm and industrial products.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 3, 1933.*

Mr. ROBINSON of Arkansas. I introduce a bill having relation to the message just read and ask that it be referred to the Committee on Banking and Currency.

The bill (S. 1110) to provide emergency relief with respect to agricultural indebtedness, to refinance farm mortgages at lower rates of interest, to amend and supplement the Federal Farm Loan Act, to provide for the orderly liquidation of joint-stock land banks, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

POWERS GRANTED TO THE PRESIDENT

Mr. COSTIGAN. Mr. President, yesterday there appeared in the New York Herald Tribune an article by Mr. Theodore C. Wallen emphasizing tendencies, in part already started, in part unprecedented, toward changes in our form of government. The constitutional significance of recent legislative developments under the present program of enlarged powers granted to the President is worthy of careful scrutiny and review. I ask leave to have selected portions of the article printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, Apr. 2, 1933]

VAST POWERS FOR ROOSEVELT—CONGRESS HAS CURB; CAN REVOKE GRANT—CIVIL LIBERTIES RETAINED; EXPERIMENT MAY INFLUENCE REPUBLIC'S FUTURE

By Theodore C. Wallen

WASHINGTON, April 1.—Through a combination of circumstances which brought him to the Presidency at a dark hour of the Republic the Nation has readily put into President Roosevelt's hands unprecedented emergency powers, which are growing day by day, despite some signs of hesitation that are developing in Congress. In the national determination that unity on any reasonable policy is better than disunion and confusion, our system of government is being made over temporarily along lines loosely described as a cross between democracy and dictatorship.

While there is a vast fundamental difference between what we have and dictatorships of Germany, Italy, and, before that, Russia, the experiment is an entirely new one for this country, and conceivably could greatly influence the future course of the Republic.

In this same Washington which a year ago was fearful lest the Reconstruction Finance Corporation turn out to be a vast political machine, laws have been put through in rapid-fire order and more are being pressed for action which give the President power in peace time to make and unmake laws by Executive order and to decree actions vitally affecting the life of every citizen.

POWER OVER PRICES

There are few things the average citizen does which could not be altered tremendously in the long run by sole fiat of the President under the emergency program that is being developed. It may be construed to touch the prices he pays for practically any article—the clothes he wears, the food he eats, his wages, the money he has or does not have to spend, and his means of protecting, saving, or investing that money.

The bank president can be told whether his bank shall be shut or open and to what degree. He may within limits be told what kind of business is to be transacted in the bank. He is to be required to tell the public how much he makes in floating any security. The value of the dollar he uses may be greatly influenced. His use of gold may be regulated or restricted entirely, and he must look to Washington for permission to pay out cash over his counters.

This new presidential authority may even pursue him into his home and affect the prices of the food at his dinner and the clothing and luxuries worn at his table. All this is possible under legislation either passed or in transit through Congress. The farm relief bill passed by the House and now pending in the Senate empowers the administration to raise farm prices to their pre-war purchasing ratio through taxes on the processor which, in turn, would be passed on to the consumer.

The reciprocal tariff bill, soon to be started on its way, would enable the President, in reciprocal agreements with foreign powers, to change rates up to 50 percent without reference to the Tariff Commission and subject only to congressional veto within 60 days.

The wheat farmer in Kansas can be told, in a way, how much wheat he may plant and to whom, in a general way, it may be sold. The price of his clothing, like that of the banker, would respond to administration control of the cotton crop much as the cotton grower would feel in his food prices the Federal control of the wheat and corn crops. The prices of his tools and other manufactured products are responsive to the broad tariff powers proposed for the Executive. It is hard to find an individual insulated from the powerhouse of authority being stored up daily in Washington.

In the drafting of the emergency banking law a question arose as to whether the President did not already have authority, under the War-Time Trading with the Enemy Act, to embargo gold. Since there was some doubt about it the authority was written into the new law. This has been the spirit of the new order in Washington. The grant of dictatorial powers presupposes confidence in the individual at the head of the Government. In this spirit the President has been given the benefit of the doubt.

CAN SET RATE OF PAY

When it came to the President's plan for recruiting idle men in the cities for reforestation work, organized labor objected to a provision for paying the men a dollar a day. Labor leaders feared that to write such a provision into the law would be to set a bad wage precedent, if not actually to establish a low-wage standard. So the provision was stricken out, and the President received carte blanche to pay what he pleased.

This law, coupled with those authorizing the President to reorganize and reduce the Federal establishment and to cut Federal salaries 15 percent, gives him, constructively, power enough to close up Government offices and use the money to pay the unemployed, should he so desire. To take an absurdly extreme example, there are those who say he could, if so minded, reduce the personnel in any Government department to a mere skeleton organization sufficient to maintain the semblance of the fundamental functions of the Government. The only limit on his expenditures for reforestation is the available money in the Treasury. He may transfer and dismiss employees at will. Through his Secretary of Agriculture he may choose whomsoever he pleases, regardless of civil service, for the huge organization to administer the farm-relief plan.

With few exceptions, wherever a change has been made in the fabric of the President's program it has been to give him more power than he asked.

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With public sentiment intolerant of politics at such a time, Congress has driven ahead undeterred by such considerations. To the already enormous powers of the President in that respect will be added a great many more before the program is complete and the special session of Congress adjourned.

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COULD STOP EXPORT TRADE

He is able to go even farther under the arms embargo bill, which leaves it to the President to stop export trade in arms to any specific country. Should he adopt the contraband of war definition, the power might extend to cotton and virtually to anything under the sun, since there is hardly anything which does not enter into the war efficiency of a state.

The opposition that has been raised against the arms-embargo plan is not to the political potentialities in it but rather to the possibilities of its embroiling us in a war by an indiscreet exercise of its provisions.

It all goes to show what confidence the Nation is ready to repose in the Executive in time of danger. Power has been transferred to Mr. Roosevelt so fast that he himself has not had time to explore the full force of it, much less to exercise much of it. He has gained it far faster than did Mussolini in Italy or Hitler in Germany.

In sharp contrast with their dictatorships, however, the extraordinary emergency powers granted to the President of the United States may be recalled by Congress at will, provided Congress has sufficient leadership and unity of direction. Impeachment would merely transfer the same powers to another individual.

POWERS MAY BE RECALLED

This new American order differs basically from that in Italy and Germany in that the Americans established it voluntarily and may recall it at will. The dictatorships in Europe hold their power not by the votes of the people essentially but by force of a body of armed men. This is the essential difference between a dictatorship and democracy.

A democracy which freely grants extraordinary powers to the Executive but retains the power to recall them at any time is still in every sense of the word a democracy. Under dictatorship the extraordinary powers cannot be recalled by vote of the people or their genuine representatives. Unlike Germany and Italy, the new American order, while it touches virtually everyone, abridges no one's civil liberties. There is no restraint on the free speech which makes for an enlightened public opinion.

The present American concentration of authority in the Executive arises from the difficulty, if not impossibility, of making the Nation's parliamentary body, with its many diverse elements, function satisfactorily with respect to a complicated problem which involves agreement on the details of economy and taxes and Government financing, on debts, currencies, tariffs, crops, armaments, and foreign policy.

SUPPORTED BY PUBLIC OPINION

Since there can be no national opinion on all these subjects, national opinion has rallied to the plan of putting the power in the Executive and supporting him. This national opinion has no relation to political parties, but proceeds rather from a sense of the common danger. Where the path leads remains to be seen. The favorable reaction to the administration's first moves, in the banking crisis and in the victory over the veterans' lobby, strengthened the congressional will to pursue it further.

There is no exact analogy in what is happening in Germany today. Many of the powers that Hitler is coming into were ready-made for him. Two years ago Chancellor Bruening had to meet a banking emergency very much like our own. He did it by asking the Reichstag for authority to promulgate executive decrees corresponding to the Executive orders of President Roosevelt. This set up a machinery of dictatorial government. While Bruening did not abuse it, the motor was at the door, purring and ready to go, when Hitler came in.

Congress holds not only a veto power over some of the President's emergency decrees but also the further power to cancel his extraordinary authority whenever it can muster a two-thirds majority in both Houses. Hence, should the people become dissatisfied or concerned about the growth of their new system, they reserve the power through Congress to end it at any time.

In Italy Mussolini is getting his people used to the idea of a dictatorship. President Roosevelt, of course, is not attempting to do the things that Mussolini did, but in the early stages Mussolini nursed along his Parliament, extracting power by degrees.

LIKE BRITISH COALITION

There is a parallel for us, of course, in the establishment of the British National Government nearly 2 years ago. Faced by a financial crisis, the whole country fused into patriotic zeal behind a single coalition government, with the opposition reduced to a petty handful, and elected a 5-year Parliament in this mood. Then in the succeeding years the national elements broke off one by one, leaving only the Conservatives.

While the patriotic support of the President prevails, the very individualism of the American nature and its present reaction to the Washington experiment suggest that any such virtually absolute dictatorship such as Germany's or Italy's is not for the United States of America. And yet the traditional and sometimes cumbersome machinery of government may for a considerable time be changed beyond recognition.

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REHABILITATION PROBLEMS—EDITORIAL FROM THE NYACK JOURNAL NEWS

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting editorial on our present situation from the Journal News, published at Nyack, N.Y.

There being no objection, the editorial was ordered printed in the RECORD, as follows:

[From the Journal-News, Thursday, Mar. 30, 1933]

LET US KEEP OUR SHIRTS ON

Sir Ronald Lindsay, the British Ambassador, when asked as to the results of his recent interview with Secretary of State Hull, at which were discussed various matters of great international import, answered in good idiomatic Americanese, "We all kept our shirts on."

With things as they are, at home and abroad, there never has been a better time for doing just that. Getting flustered and excited will get us nowhere. The problems facing us call for a cool head and dispassionate consideration. We as people are only faintly interested in Japan's withdrawal from the League of Nations—although the relations of that Empire to world affairs

in general may later engage our more serious attention. With respect to the proceedings of the Hitlerite government in Germany, we as people are horrified at the sufferings and indignities reported to be inflicted on the Jews resident there; but that the reports reflect the actual facts seems open to serious doubt, a doubt enhanced by the assurances coming to us from high Jewish authority within Germany itself. While we lament the fatuous stupidity of European statesmanship which keeps that Continent in a state of economic unrest and in an ever-present dread of another war, nevertheless we may, if needs be, leave them to stew in the juice of their own making but with the assurance that not again, either with men or dollars, will America intervene in their affairs.

Our immediate problems are domestic and are grave enough and pressing enough to engage our entire attention and our best thought. We are, or we should be, concerned with the problems of the rest of the world only so far as they have a reflex on our own situation. This is what we have more than once referred to as "enlightened selfishness"—a duty which every government owes to its people.

Let us then devote ourselves to the rehabilitation of our own affairs, the setting in order of our own house. A good start has been made. The weaknesses of our banking system have been disclosed—weaknesses in part inherent in the system itself and in part due to the grasping selfishness of individual bankers and banking institutions. With the restoration of confidence in the stability and integrity of the financial system of our country, a long step forward has been taken—but more, much more, remains to be done. And this cannot be done overnight. The way is hard and laborious. Economies must be enforced, the Budget balanced not by the imposition of additional taxes but by retrenchment in expenditures. Productive work must be found for our millions of unemployed—honest labor, not indiscriminate charity. The plight of the farmers must be relieved that industry may be benefited by the restoration of their purchasing power. A way must be found whereby there can be saved to them the homes and businesses of the individual house owner and the small business man. While every effort must be made to prevent the foreclosure of mortgages on homes and farms, yet the well-being of those who have honestly invested in that class of security and who are dependent for their livelihood upon the interest therefrom must be preserved—there would be but scant justice in relieving the borrower at the expense of the lender. The railroads of the country, a basic industry, must be saved. Real estate must be relieved of a burden of taxation it cannot bear.

These are the major problems immediately confronting us. Their solution calls for the utmost of patience, tact, realization of conditions, and mutual forbearance—and in their approach and consideration all of us "should keep our shirts on."

While all may not be right with the world, yet God still reigns in His Heaven.

MESSAGE FROM SON OF THE LATE THOMAS A. EDISON

Mr. COPELAND. Mr. President, I ask to have inserted in the RECORD a message to his employees, and also to the American people, from the son of the late Thomas A. Edison, printed in the magazine Time in its issue of even date.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

GET GOING

On the white walls of Thomas A. Edison, Inc., in West Orange, N.J., a notice was plastered last week, a message from President Charles Edison, son of Thomas, to his employees:

"President Roosevelt has done his part; now you do something.

"Buy something—buy anything, anywhere; paint your kitchen, send a telegram, give a party, get a car, pay a bill, rent a flat, fix your roof, get a haircut, see a show, build a house, take a trip, sing a song, get married.

"It does not matter what you do—but get going and keep going. This old world is starting to move."

"AGRICULTURE'S LEVEL-HEADED MAJORITY"

Mr. FLETCHER. Mr. President, a very intelligent article, I think, appears in the Saturday Evening Post of April 1, entitled "Agriculture's Level-Headed Majority", by Ralph M. Ainsworth. I ask that it may be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Saturday Evening Post, Apr. 1, 1933]

AGRICULTURE'S LEVEL-HEADED MAJORITY

By Ralph M. Ainsworth

I have been a farmer for 25 years, and after reading 19 articles telling of the farmers' plights, strikes, and holidays by 19 writers—none of whom ever operated a farm—I thought the readers of this publication might like to know just how the average farmer feels, acts, and lives in this depression.

I grow corn, hogs, and wheat on 540 acres of the finest land that can be found in central Illinois. Some of this land I operate as a landlord, but on most of it I am only a tenant farmer.

Since I started farming my first 160, 25 years ago, I have seen this land advance from $160 an acre in 1907 to $450 in 1919, and then gradually decline to $80 an acre in December of 1932.

I can honestly and truthfully say that in the last 4 years I haven't made a dollar on the farm; yet, fortunately, I have been able to pay my cash rent out of money I saved when prices were good and farm incomes were big. I rent one 80-acre farm from a man living in Mason City, Ill. It took all of the crop raised on that 80 and $250 of good, hard money I had saved for a rainy day to pay my landlord his rent for this year. Unfortunately, I had signed a 7-year lease to pay $6 an acre each year, and it was up to me to abide by the contract. I thank my lucky stars I have only 1 year more left on that burdensome cash-rent lease. No; I didn't see red when I paid the rent. I was as able to lose as my landlord, possibly better.

But I have seen red, and I always will see red when one of the many Government agencies that were organized to loan money to the farmer at a time when he didn't really need a loan steps in and forecloses on his farm or his chattels and turns the busted farmer out of doors without any means of making a living. If these many Government loan organizations were formed to give financial aid and charity to farmers, let them be consistent and grant a moratorium to the farmer at a time when conditions are immeasurably worse than they were when the loan was made. If our Government is in a "nine hole", it is not the first, nor will it be the last. I refer to foreign debts.

Yet I am not a militant farmer, and still have my first militant farmer to meet. Last summer I traveled the length and breadth of Illinois and got over into Iowa and Missouri. I also took an auto trip with my family to Atlanta, Ga. In all these travels I did not see a single farmer barricade attempting to keep food out of our cities. I have seen coal miners strike, but never farmers.

The farmers' problems are debts and overproduction. We need the food consumption of the city. We need all we can get, and more too. To withhold food from the city consumer only adds to our burdensome farm surplus. Frankly, I doubt if 5 percent of the farmers in America believe anything can be gained by starving city folks into paying higher prices.

Wouldn't you get a big laugh if a storekeeper were to say, "Pay us what we think we should have for our merchandise, or we will refuse to sell you our goods"?

You would say, "Keep the goods and we will buy elsewhere." The farmer, more than likely, would say, "We will do without merchandise until times get better."

And that is just what farmers are doing. They are refusing to buy all the luxuries and most of the necessities until times get better. The small-town merchant is witnessing the greatest farmer-buying strike this country has ever known; and, much to his dismay, he is beginning to realize that the farmer, when driven by necessity, can go for an indefinite period and limit his purchases to a few groceries. When the farmer has his own meat, butter, eggs, fruit, and vegetables, there is not a lot of food left to buy. Robinson Crusoe lived well for years and didn't spend a nickel. Farmers could do that if they had to.

Millions of tenant farmers who have large families are keeping warm and well fed on a cash outlay of less than $100 a year. The old Sunday suit and overcoat bought in 1929 are still giving the outward appearance of respectability. If necessary, these clothes can be made to last another 5 years.

Farmers, as a class, are not militant, and they are very much opposed to the Farmers' Holiday Association. Even around Sioux City, Iowa, where the movement did the greatest damage to property, most of the farmers preferred to stay at home and saw wood, as the expression goes. But in tens of thousands of cases, these stay-at-home-and-mind-my-own-business farmers were literally sawing firewood for the first time in their lives. Wood takes the place of coal, and coal calls for cash.

WHERE FOOD IS NOT A PROBLEM

I have never yet seen a real Corn Belt farmer who looked as if he had ever missed a meal. In many cases he has to kick food out of his way to get on or off the back porch. His clothes may be old, his pocketbook may be empty, and his farming equipment in need of repair, but food and fuel he has only to bring into the house. The only farmer I ever heard complain of lack of food weighed more than 250 pounds and had to ration his coffee until he could sell a truckload of hogs.

In the past year numberless city folks who have been without work for months have, in desperation, moved to abandoned farms in the hope of finding a living on soil that no experienced farmer would undertake to operate. These would-be farmers from the city, in many cases, arrive with a few household goods, no livestock, no equipment, and no knowledge of farming.

In one case an old couple past 70 years of age bought a 7-acre sand hill on which stood a good house and barn. This man and his wife would have starved had not the neighbors given them the use of some black, fertile land in the valley for truck growing. The gentle manners, polish, and wit of the old gentleman soon found a warm spot in the hearts of native dirt farmers. In less than a month the husband was teaching a men's Sunday-school class and the wife was ministering to the needs of the sick in the valley. The farmers of the neighborhood had made them a part of their community life. It was mutual love at first sight.

But it is not always that way.

The manager of a life-insurance company lost his $15,000-a-year job when his company failed. He thought he felt the call of the wide-open places, so he bought a blow-sand farm, remodeled the house, piped the farm with water, and stocked it with pure-bred cattle and hogs. His work clothes consisted of shorts and

bare legs, while his daughters worked in the garden in abbreviated bathing suits. The result was that some local wit put up a sign on the hard road which read: "Nude farm 1 mile east." These people who were indifferent to conventional farm dress were never fully accepted as a part of the community.

The father, whose nickname in the community was Shorts, had beginner's luck with his spring pigs. He actually succeeded in raising an average of better than 8 pigs to the litter from 26 pure-bred Duroc sows—a record I have never seen equaled. All went well until the pigs were about 4 months old. He had overlooked dipping his pigs every 30 days, and they were covered with lice. Shorts didn't even know what was wrong, so he sent out a Macedonian appeal to the honest-to-God farmers in the neighborhood for help and advice. "Will we help Shorts or not? Yes; we will." So they took 5 gallons of dip over to Nude Farm, sorted the pigs into closely packed pens, gave Shorts a sprinkler, and told him to walk in among his pigs and sprinkle them down. Shorts accepted the challenge and hopped around among his squealing pigs with his bare legs while the farmers sat on the side fence and laughed at the most absurd and ridiculous show they had ever witnessed. After that Shorts wore the conventional blue overalls of the neighborhood, and his daughters wore gingham dresses. He was then accepted as part of the community, but with reservations.

Though farmers, as a class, are in desperate straits, they are, perhaps, more content with their lot than they were in 1929, when their city cousins had fine jobs, clothes, and automobiles, to say nothing of superior, snobbish ways. Many farmers are actually concerned over the poverty of the day laborer's family in the town where they market their products. In some cases the town laborers who at one time did the wheat shocking and helped the farmer with his hay are actually starving, now that the farmer has no money and must depend on his wife and small children for help in the field at harvest time. Thousands of farmers are giving milk, sausage, and fruit to the town families of the laborers who once helped them with their work.

FARMER PHILANTHROPY

A onetime big-scale farmer recently plowed, harrowed, and staked off into half-acre garden plots 20 acres of land for the town folks who, in his more prosperous days, helped him farm his land.

"I have plenty of land," said the farmer, "but no money with which to hire labor to grow 12-cent corn; so why not cut corners and give the poor enough land to grow a year's supply of food? At current prices this land has no income value."

Tens of thousands of farmers are giving a home and plain country food to the children of city relatives who have been months without work. These children go to the country schools where overalls and cotton dresses are in the best of taste and bare feet are meant to walk on in the spring and summer.

Twelve years ago a large family sought their fortune in the city—except one brother, who stayed on the farm. Because the farmer brother could never get past the eighth grade he was nicknamed Dumb Henry by his city brothers, who were master carpenters, bricklayers, plumbers, and contractors. Now Dumb Henry, the farmer, is sending to the country school the children of his plumber and bricklayer brothers.

This is only one of thousands of cases in which big-hearted farmers who haven't $20 in their pockets are feeding and educating the children of our cities' unemployed. There may be cases in which city relatives have taken the children of farmers in order to keep them from starving until this depression is over, but I certainly do not know of any such cases.

If the farmer is in desperate shape, the condition of the small-town merchant is fully as bad, since he gets no sympathy whatsoever from the farmer, who must sell 12-cent corn and 3-cent hogs before he can buy. The farmer can dig himself in when times are bad. He can let his equipment run down. He can confine his operations only to his garden and a little plot of corn for his pigs, cows, and chickens. Not so with the country merchant, who must keep his stock of goods complete and up to date, or else lose to the larger city stores what little farmer trade there is left.

THE PLIGHT OF A MERCHANT

I know one case in particular where the proprietor of a small-town department store, who at one time had a thriving business and employed seven clerks, laid off all but one clerk and undertook to sell out his stock of goods and quit. But after the clerks were dismissed no one came to his store to buy his shelf-worn goods. Finally, he put up a sign which read: "I give up. Buy these goods at your own price." The merchant still has the goods, and the farmers are giving him the laugh. Even farmers who owe this merchant money will not keep him supplied with food. But they do give farm produce to the clerks this merchant dismissed.

The farming clan of America includes its full share of the blockheads and young, hot-headed holiday strikers; but, on the other hand, I think we can claim more than our full share of the level-headed thinkers of America.

As long as 5 years ago some of our most conservative farmers suggested a Government tax of a dollar an acre for growing wheat, 50 cents an acre for growing corn, and a subsidy of 50 cents an acre for growing soil-building legumes that were to be plowed under to enrich the soil. But did any politician listen to this practical suggestion? No; they gave us a Farm Board to speculate in grain as well as to hold it off the market in an abortive attempt to scare consumers into buying.

As I write this article the great solid majority among farmers is in favor of some plan that will cut production of foodstuffs to fit domestic needs. It is the hot-headed younger farmers who are decidedly in the minority, who resort to militant measures to starve city folks into paying a higher price for their food and who suggest fantastic plans for a high price for farm products that are consumed in America, with a low price for the surplus that is shipped abroad.

Some small-town merchants claim that the farmer who is burdened with debt is a better cash customer than the fortunate minority who are out of debt. This is only natural. It is in keeping with the everlasting law of self-preservation. A landowner whose farm is mortgaged for more than it is worth refuses to pay his land taxes and puts the money in more new clothes for his family than are actually needed, knowing that if the worst comes to pass he will never be asked to give up the clothes on his back.

It is only natural that the farmer, in desperate financial straits, will get a lot of satisfaction from chattel-mortgage sales where phone wires are cut so the sheriff cannot be called and where the bankrupt farmer's stuff is bid in for less than $10 by kind neighbors who give it back to the owner, who now has a new debt-free start.

It is hardly conceivable that the farmer who is entirely out of debt can have the same viewpoints as those who are hopelessly involved. Yet the great majority of those who hold their farms free of any encumbrance have a keen resentment for any mortgagee who takes a farm away from a man who has been a good neighbor.

Now, there are more farmers free of indebtedness than one who is not acquainted with the farming situation would suppose. The Reconstruction Finance Corporation estimates that at least half of the farms in the United States are free of any mortgage indebtedness; and, furthermore, at least one third of the farmers in the United States have no mortgage or personal indebtedness of any kind whatsoever.

I belong to this latter class of farmers, who have made the difficult job of keeping out of debt a daily watchword. I pay my land taxes as they become due because it pays me to do so, just as it pays the farmer who is about to lose his farm to let his taxes default. Therefore I have one item of expense that the debt-ridden farmer can and does side-step. Because I pay taxes and thus contribute more than my share to the cost of local government and community services I am far more concerned with this one and only big necessary cash outlay than I am with the low price of grain or livestock.

I take the stand that we farmers who overproduce are primarily to blame for the low prices we brought upon ourselves; but when it comes to high taxes, I get a high degree of satisfaction in finding fault with State, county, and township services that might be dispensed with until farm returns are again normal. In finding this fault with high taxes I probably go too far. I operate my farms on the assumption that in any and all events, the business of farming must at least pay its way on a cash-disbursement basis. As my work animals died off and as my implements wore out I cropped less land, got along with less help, and put more acres into soil-building legumes. As a result I have more than done my share in cutting down production.

But I am not the only farmer who has followed this program of drastic reduction of acreage and farm-operating costs. Most of the millions of farmers who are out of debt are out of debt because they have done without new equipment, and this is one reason that we have had a depression.

You may not know that the acreage in wheat in the United States has already been reduced from 76,000,000 acres in 1919 to less than 50,000,000 acres for 1932, and possibly as low as 45,000,000 acres for 1933.

The corn acreage has been reduced from 117,000,000 acres in 1917 to an estimated 85,000,000 acres for 1933.

There are not enough tractors, work animals, and implements in America to put crops in those big acreages of 15 years ago, even if farmers had the money; and that is the one thing they do not possess. In fact, I look for famine wheat prices in the United States in less than 2 years. If a shortage could command a price of $1.79 for a bushel of wheat in the depression of 1873–79, it can do it again.

A shortage, and nothing else, will bring about these high prices; and when high prices for farm products are realized, the business of farming will pay as it has paid in the past. When farming shows a profit, farmers will spend that profit for the things they have done without for the past 10 years; and then, but not until then, will the depression be over.

But what of the farmer and his land? Will he not have lost it all before farm returns again show a profit? No!

Only farmers know how to make a farm pay. Our banks and insurance companies who hold the mortgages do not care to own land they cannot operate at a profit. They will sell it back to farmers on long-time payments; and, in many cases, they may cut the debt in half as an inducement to get the present owner to stay on his land.

I have tried to show how the average dirt farmer thinks, feels, and acts in this depression. We farmers are better satisfied with our lot than we were 3 years ago. On the soil we find work and security in the one and only self-sustaining unit to be found in modern, complex society. When we get money we will spend; and the more we make, the more we will spend.

In the meantime, we will sell you city folks all the food you can afford to buy, and at the best price you are willing to pay.

We will not try to starve you out or smoke you out. We like you, but we like you better in the cities than we would if you all moved out to a little plot of ground in the country. Some of you might wear shorts.

SUMMARY OF FOREIGN DOLLAR BONDS IN DEFAULT

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD Letter No. 24 of the American Council of Foreign Bond Holders, being a brief summary of foreign dollar bonds, interest payments on which are in default.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Letter No. 24

A BRIEF SUMMARY OF FOREIGN DOLLAR BONDS, INTEREST PAYMENTS ON WHICH ARE IN DEFAULT, MARCH 1933 [1]

NEW YORK CITY, *March 21, 1933.*

Holders of foreign bonds are no longer greatly concerned with suspension of sinking-fund operations, but interruption in the half-yearly routine of cashing coupons affects most acutely their material well-being.

A study recently made by the American Council of Foreign Bond Holders has revealed that there are now 131 dollar bond issues, sponsored by foreign national, provincial, and municipal governments, as well as by foreign banks and corporations, which are partially or wholly in default on their interest payments.

The list comprises bonds pertaining to 18 countries, of which 9 are European, 7 South American, and 2 Central American. Only 7 out of the 18 nationalities are in default on every one of their dollar obligations, and 3 out of the 7 are making partial payments.

The total outstanding balance of these defaulted bonds is $1,486,047,000, reduced by operation of sinking funds from an original aggregate principal amount of $1,644,979,500.

Table herewith shows details of origin, total amounts issued, and total amounts outstanding for each country, seven of which are still paying interest on national-government obligations:

Countries	Amounts issued	Outstanding
United States of Brazil	$384,112,000	$329,203,800
Republic of Chile	344,612,000	325,883,000
Kingdom of Sweden	150,000,000	144,006,000
Republic of Colombia	115,485,000	98,365,900
Republic of Peru	94,500,000	91,286,000
Argentine Republic	102,893,500	89,503,000
Soviet Union of Russia	75,000,000	75,000,000
Kingdom of Hungary	86,198,000	70,461,500
Republic of Bolivia	68,400,000	59,422,000
Kingdom of Yugoslavia	57,250,000	54,497,500
Republic of Austria	60,000,000	52,043,300
Republic of Greece	38,000,000	36,518,500
Kingdom of Bulgaria	17,500,000	16,988,500
Republic of El Salvador	16,500,000	12,663,000
Republic of Uruguay	11,171,000	10,420,000
Kingdom of Netherlands	12,000,000	9,600,000
Republic of Costa Rica	9,800,000	8,898,000
Republic of Germany	1,500,000	1,287,000
Total	1,644,979,500	1,486,047,000

Interest on the aforesaid 131 loans is scheduled to be paid at the rate of from 5 to 8 percent. Discrimination is in accordance with details furnished by the following table:

	Principal outstanding	Yearly interest
3 bond issues at 5 percent	$144,006,000	$7,200,300
1 bond issue at 5½ percent	25,000,000	1,375,000
23 bond issues at 6 percent	475,984,500	28,559,070
17 bond issues at 6½ percent	269,237,500	17,500,437
1 bond issue at 6¾ percent	17,737,500	1,197,281
54 bond issues at 7 percent	349,156,300	24,440,941
16 bond issues at 7½ percent	68,100,000	5,107,500
16 bond issues at 8 percent	136,825,200	10,946,016
131 bond issues at from 5 percent to 8 percent	1,486,047,000	96,326,545

Only 4 out of the 131 loans are unprovided with sinking funds for redemption of bonds. Operation is by purchases in the open market when bonds are obtainable below the redemption price, or by the drawing of a stipulated number of bonds each half year or year. Such drawn bonds are payable at par or over par, in accordance with the terms of the bond contract. Discrimination is as follows:

Eighty loans redeemable for sinking fund by purchases in the open market.

Thirty-eight loans redeemable for sinking fund drawings at 100.

Two loans redeemable for sinking fund by drawings at 102.

One loan redeemable for sinking fund by drawings at 103.

Five loans redeemable for sinking fund by drawings at 105.

Four loans without sinking fund.

One hundred and thirty-one loans in default.

BRAZIL

Taking into consideration the area and population of Brazil and its resources, not only natural and prospective but actually tangible in the form of agricultural, industrial, mining, and florestal activities, the foreign debt does not seem to be unreasonably large and compares favorably with those of other borrowers of American dollars.

Moreover, the Federal Government is paying some interest in cash and the remainder of its own obligations in scrip, a circumstance which lifts this debt to a much higher plane than that of Chile, Peru, or Bolivia, although the scrip payment must be classified as default because bondholders who feel compelled to convert their scrip into cash now have to suffer a discount of at least 60 percent.

With the exception of one San Paulo 7-percent coffee loan, Brazilian State and municipal debts are in full default, since little heed can be given to alleged payments in currency at par to national banks, where it is held to the order of the depositors, who have in some instances drawn upon these funds for revenue.

The constitutional right of the States to contract loans abroad has always been a thorn in the side of the Federal Government, which has now resolved to abrogate, or at least restrict drastically, the liberty so often abused in the past. Some of the more powerful States will cling to their usual procedure, and others will be extremely glad to transfer their load to Federal shoulders under any conditions.

It will be extremely interesting to see what comes of this controversy; but a proposal, recently made, to convert the State debts into currency obligations will find no acceptance here. The probability is that the southern States will insist upon a goodly measure of the autonomy they hitherto enjoyed, with a view to reestablishment of their credit abroad.

CHILE

Seventh in area and fifth in population among the 10 South American republics, Chile is today in default, with its interest payments on the whole of a larger outstanding dollar debt than that of any of the others, except Brazil, whose total in default exceeds that of Chile by only $3,320,800. The country is rich in minerals but only about 26 percent of it is fertile, and of this three fifths is pasture land.

Nitrate of soda, the principal mineral product of Chile, is mined exclusively in two Provinces, Antofagasta and Tarapaca, seized, respectively, from Bolivia and Peru in the war of 1879–1884. During the European war years of 1915–1918, Chile exported 10,665,000 long tons of nitrate, on which the export tax alone amounted to $142,427,000, without counting the export tax on iodine, a by-product, or that on borax, also a product of the named Provinces. This levy represents 51 percent of the Government's total revenues during the 4-year period.

These exports were exceptional, but even after 1918 until 1929, during which period there were 4 lean years, exports averaged 2,000,000 tons a year, comparing with 2,666,000 tons during the war years; it being therefore inexplicable how Chile, disposing of such enormous resources wrested from its neighbors, should have been permitted to borrow the preposterous sum of $344,612,000 between 1922 and 1929, in addition to a huge debt in sterling, in order to maintain army and navy absorbing over 30 percent of the collected revenues and to finance costly public works, when it was perfectly evident that the development of synthetic nitrogen would eventually ruin the nitrate of soda industry.

SWEDEN

Although occupying third place in the list of defaulted dollar bond nationalities, Sweden has never failed to pay interest on its Government obligations and has to thank one man for a terrible blow to the national prestige. Investigation into the affairs of Kreuger & Toll and International Match Corporation is in competent hands, and Swedish Government bonds continue to merit the esteem of American investors, who know that Sweden still makes the best matches in the world.

COLOMBIA

In Colombia the procedure of the National Government has been idoneous and dignified. Interest is being paid on all National Government obligations, direct and contingent. The debts of two mortgage banks may be converted into National Government securities if bondholders will make certain concessions.

When it became evident that service on the departmental and municipal loans could not be remitted without serious depletion of the gold reserve, the National Government offered to pay interest on its own 6-percent scrip if the government in question would undertake to continue payments in national currency. The two most prominent departments refused to do so, and the plan fell through, much to the disappointment of bondholders. This situation causes anxiety, but it is incredible that the people of Antioquia, for instance, are reconciled to forfeit their long-established reputation for square dealing.

Colombia is waging a defensive war against Peru, which has cost to date at least $15,000,000; otherwise it is extremely likely that this year would have witnessed resumption of payments on all Colombian obligations, with certain adjustment of interest and sinking funds.

Since August 1930, Government finances have been wisely and efficiently ordered. The balance of trade is highly favorable, and the production of gold up 50 percent.

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PERU

Pending adjustment of the Amazon frontier controversy with Colombia, little can be said in favor of the Peruvian foreign-debt situation, which will remain desperate until Peru settles down to work in peace under an executive which commands the respect and allegiance of the people. This country, which used gold coinage exclusively when Argentina, Brazil, and Chile were floundering in oceans of depreciated paper currency, and which had reduced its foreign debt to the equivalent of $12,000,000 in 1924, when New York bankers started the heavy financing which was to swell the total by $94,000,000, is quite capable of regaining its former good reputation, although the fearful expense of war, civil or otherwise, has effected such deterioration in the economic structure during the past 2½ years that bondholders will probably be required to make extensive concessions.

ARGENTINA

Interest on 10 Argentine Government dollar loans is being paid with commendable regularity. Most of them are 6-percent obligations, the value of which has been rated by this market at between 40 and 50 this year—a 12 to 15 percent income yield because the Provinces and municipalities are slipping so fast that 10 issues out of 15 are now in default on their interest payments.

Buenos Aires, the premier Province of Argentina, which contains territories the fertility of which compares with the best in our own country or in Egypt, is the latest to default, and offers payment of interest in Argentine currency at par of exchange existing on January 1, 1933, to be remitted "when exchange is available", the balance to be funded by "arrears certificates", bearing interest at 5 percent. On January 1, 1936, full bond service should be resumed, but sinking funds will be devoted, in the first instance, to the retirement of the said "arrears certificates."

This plan applies to the dollar bonds only. Interest will continue to be paid in cash on the European issues, a discrimination which the provincial government seeks to justify by the contention that the break in sterling facilitates remittances to London. Sinking funds are suspended on both dollar and sterling issues.

Bondholders in the United States can hardly be expected to applaud this proposal, but those who refuse to accept it will not receive any payments whatever until they change their minds—a striking instance of the autocratic power wielded by debtors in this fourth year of the world crisis.

RUSSIA

If speculators are willing to pay $40 for a repudiated $1,000 Russian Government bond of 1916, it is because they believe it will be greatly to the advantage of a Russian Government of 1934, or later, to recognize the debt. It makes no difference to the bondholder whether the said government will call itself imperial, republican, or soviet when that time comes. The money was lent to the Russian people and if it is ever paid the Russian people will pay it.

HUNGARY

It must be disconcerting to many holders of Hungarian Government dollar bonds to discover that there are no less than 16 loans now in default. Several of them have names which do not even remotely suggest their origin. The one National Government dollar loan is not yet in default, and the amount outstanding on the three municipal issues is only $32,152,000. Evidently, therefore, the other 13 loans to banks, institutes, and corporations are chiefly responsible for the intolerable burden to this proud and ancient kingdom, which was shorn of 68 percent of its territory and 59 percent of its population in 1920 by the treaty of Trianon. It does not seem reasonable, for instance, that the European Mortgage & Investment Corporation should have been granted over $20,000,000 in 1926 and 1927, although this concern reduced its debt by $8,000,000 before defaulting on its interest payments.

Some bond service is being deposited in the National Bank of Hungary, but the financial condition of the Government is such that there is little hope of an early resumption of remittances.

BOLIVIA

The amount of Bolivia's foreign debt in default compares favorably with those of most other South American countries, and the Government of that Republic would merit a considerable degree of sympathy in its economic misfortunes were it not for the war of conquest against Paraguay which it has provoked, and the flagrant misuse of borrowed money for that purpose. Original purchasers of the 7-percent bonds may well feel indignant that they were beguiled into financing this iniquity, which is a disgrace to American civilization, although there is no evidence that the house of issue was better informed as to Bolivia's bellicose intentions than bondholders themselves.

Bolivia's discontent dates from 1879, when Chile occupied Antofagasta, the one Bolivian seaport on the Pacific coast. A port in the Chaco, opposite Asuncion on the River Paraguay, would provide a most unsatisfactory substitute, but better, think Bolivians, than no port accessible to ocean-going steamers. Intervention may reopen the question of the Pacific. Holders of Bolivian bonds should hope for the recovery of Antofagasta and tin—in other words peace and prosperity.

YUGOSLAVIA

Although Yugoslavia has much more than double the territory and nearly as much population as Austria and Hungary combined, its defaulted dollar debts outstanding are only 44½ percent of their total. The equivalent of full bond interest in national currency is being deposited in the national bank, since foreign exchange is temporarily unobtainable. This applies also to the State Mortgage Bank 7's.

This country inspires confidence, even in its humiliation.

AUSTRIA

Austria's outstanding dollar debt in default is smaller than that of its former partner, Hungary, and included a loan to the city of Vienna which alone accounts for over 50 percent of the whole—perhaps not an unreasonable ratio if the relative importance of that city to the remainder of the Republic is taken into consideration.

Austria offers payment of interest in national currency at the exchange rate of the day to bondholders who will spend or invest the proceeds in Austria. This offer compares favorably with the procedure of most of the other defaulting nations.

GREECE

Negotiations between the Greek Government and the English Council of Foreign Bondholders have demonstrated that Greece is prudently resolved to enter into commitments for remittance of bond service for 1 year at a time, in accordance with the financial conditions of the Government.

The $2 loans in default were issued under the auspices of the League of Nations, which has declared itself to be well impressed by the Government's anxiety to meet its engagements. Partial cash payments of interest were made last year, and will probably continue in a measure consistent with the country's progress toward solvency.

BULGARIA

Last July Bulgaria offered to pay 50 percent of bond service, but in November reduced its offer to 40 percent. The remaining 60 percent is to be invested in Bulgaria in a manner to be approved by the League of Nations. Evidence of good will and good faith is shown by this procedure.

SALVADOR

The 8-percent loan of the Republic of El Salvador, offered in this market on October 9, 1923, was remarkable for the unprecedented safeguards and guaranties surrounding it. These precautions were apparently powerless to prevent default when this smallest republic in America decided to follow the prevailing fashion, although its pledged revenues were considerably larger than in 1923.

Interest on the first-lien 8-percent bonds might therefore very well have been continued indefinitely, but a protective committee was formed which obtained the consent of the Government to pay interest only on those bonds which should be deposited with the committee's nominee, and thereby become subjected to payment of a fee for expenses and compensation.

It was originally proposed to issue $6,500,000 third-lien 7-percent bonds to cancel debt to International Railway, local banks, and other creditors in Salvador; but the issue was afterward gradually increased to $10,500,000, of which $9,008,100 is still outstanding.

Examination of this situation leads to the belief that these supplementary issues are largely responsible for the recent failure of the 1923 financing.

URUGUAY

It was reported early last year that the Montevideo municipal government was able and willing to pay bond interest, but was forbidden to do so by the National Government of Uruguay for reasons of foreign-exchange stringency. If this is true, the action was discreditable, because the gold reserve at the national bank is adequate to protect the currency, the low exchange value of which is due to want of confidence engendered by such procedure as this. Appreciation of the fact by this market is shown by quotations for Government issues, on which interest is still being paid, although sinking funds are suspended, as they were for 6 years from 1915.

HOLLAND

Holland-American Line 6-percent bonds are not dollar securities, but they were sold in this market, are listed on the New York Stock Exchange, and are quoted at a price per 2,500 guilders, which is practically $1,000. The issue was originally 30,000,000 guilders, say $12,000,000, of which 24,000,000 guilders, say $9,600,000, is outstanding. The bonds differ in no other respect from any foreign dollar corporation bond traded in here, and are included in this compilation as extremely interesting specimens. Only 63 bonds changed hands last year on the stock exchange, indicating that the Hollanders did not care to buy them, even at 13. One would have thought that the prestige involved would have been worth $600,000 a year to the Government of the Netherlands.

COSTA RICA

In August last the Costa Rican Government confessed that conditions of country and treasury made it imperative that instead of $2,387,500 for service on the 7-percent bonds of 1951 until and through 1935, it would offer only $245,452 to bondholders; that is to say, $23 in cash on each bond outstanding, plus 5 percent interest on the $222 balance, represented by funding scrip in lieu of 7 coupons to be clipped off the outstanding bonds, principal amount of which is $7,198,000.

It is ominous that a 5-percent sterling refunding loan, issued in 1911, is also subjected to this moratorium by the Costa Rican Government, although the bonds are a first charge on all customs duties, and the loan contract provides that in event of default of one monthly installment the trustee will appoint an agent having the sole right to issue certificates in which all customs duties will be payable.

In view of this fiasco and of the previous bad record of Costa Rica, it seems doubtful whether full interest and sinking-fund payments will be resumed in 1936 on the 7-percent dollar bonds or the Pacific Railway 7½'s.

GERMANY

There is still a possibility that Heidelberg city may pay the coupon due July 1 next, but fiscal agents have not received monthly remittances as called for by the bond contract, and the municipal authorities declare they will be unable to meet their obligations on that date.

It would be tempting to omit this one small item for Germany if it were not for the fact that two other German obligations, namely, Provincial Bank of Westphalia 6's and Bavarian Palatinate Consolidated Cities 7's, having matured for redemption this year, have not been paid.

For the bank maturity of $3,000,000, 10 percent is offered in cash and the remainder in blocked marks. The Bavarian Palatinate obligation amounts to only $140,500, but is followed by 13 other serial maturities, yearly until 1945, for account of the same loan, on which $3,134,500 is outstanding.

AMERICAN COUNCIL OF FOREIGN BONDHOLDERS, INC.
MAX WINKLER, *President*.

THE FARM BILL

Mr. WALCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting statement by the senior Senator from Rhode Island [Mr. METCALF] on the subject of the pending agricultural bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR METCALF DECLARES FARM BILL SUPER SALES TAX; WOULD LOAD STAGGERING BURDENS ON CONSUMER'S POCKETBOOK, HE SAYS; PREDICTS ANY ATTEMPT BY DICTATOR TO FIX PRICES WILL BE COLOSSAL FAILURE

By Ashmun Brown

WASHINGTON, April 1.—In agreement with President Roosevelt on much of the administration program, eager and willing to support that program in the public interest to restore confidence and stability, Senator JESSE H. METCALF, of Rhode Island, yet finds it impossible to approve the farm relief bill now before the Senate. In his opposition he has the sympathy, although not the votes, of a number of Democratic Senators who hesitate to oppose their party chief in a period regarded as an emergency, but who deplore the farm bill as something foisted upon the administration by farm leaders professing to speak for all agriculture.

After a studious analysis of the bill, Senator METCALF is convinced that the setting up of an Agricultural Department dictatorship over farming, as the bill proposes; extending that dictatorship to cover a considerable group of industries; levying nearly a billion dollars of new taxes on foods and wearing apparel, which must be paid by the consumers, not only will not aid the farmer but is certain to injure him and all other elements of the population.

"We can enter into endless discussions on the provisions of this bill", said Senator METCALF in a statement today. "These discussions would carry us into every phase of American life and into every economic practice existing within our borders. We might enter into endless discussions of its constitutional phases and its merits from the standpoint of workability. But any analysis of this bill, regardless of its length or detail, might be readily summed up in the statement that it is an economic dictatorship. The Secretary of Agriculture is given power to rent lands and force them to lay idle; he is given the power to determine the price of rental; he is given the power to arbitrarily impose a tax on everything we eat and wear, even on the towels and blankets in our home and the carpets that cover our floors. He is given the power to open factories or to close them, under regulations which he himself may write. He may impose a fine of $1,000 per day for violation of these regulations without recourse. While the consumer of products made from certain basic agricultural commodities is supposed to pay the tremendous tribute by reason of a surplus of these commodities, he is powerless to escape from the exaction. If the people of the United States increase their consumption of asparagus, the Secretary of Agriculture in his wisdom may tax the processing of asparagus to satisfy the producers of eggs. It is possible for this system of taxation to become an endless chain of ever-mounting exactions for the alleged benefit of agriculture.

DICTATORSHIP WITH VENGEANCE

"Such powers constitute a dictatorship with a vengeance. To administer even a portion of these powers would require an army of tax collectors, accountants, policemen, and innumerable parasites who would be preying on the very vitals of the Nation. I have heard estimates that it would require as many as 50,000 persons. The cost would be enormous. It has been estimated that for a family of five the tax would amount to $58.85 per year, all of which would be collected on the bare necessities of life. This bill is also a sales tax with a vengeance. It is a super sales tax, placed on the very necessities of life. In the last Congress a general sales tax was proposed for the purpose of balancing the Budget, bolstering the national credit, and maintaining confidence in American institutions. In that sales tax necessities were largely to be exempted. The last Congress was practically unanimous in its condemnation of an effort to place a one half of 1 percent tax on food supplies. What strange power has caused us to abandon our protectorate over the workingman, to abandon our efforts to keep easily available the necessities of life—from patriotic and principled championship of a free and open democracy to a crusade to place an overwhelming tax on the bare needs we once sought to exempt, and to establish a dictator?

PLAN UTTERLY UNWORKABLE

"How can a super sales tax of this kind be justified when we know if it even remotely approaches the expectations of its proponents it will be infinitely greater than any sales tax ever proposed? The actual cash burden of such a tax would equal three times the burden of the highest general sales tax proposed in the last Congress, and this tremendous total would be heaped on the bare necessities of life.

"This plan is utterly unworkable; the Nation is too big, too varied, too strong to tolerate such an absurd system of price control, or to have its individuality and its nationalism smothered beneath the stench of dictatorship.

"The administration of these powers would lead to an unending number of complications which no human being will be able to unravel. The dictator says, 'We shall not tax the food the farmer processes for his own table', and in doing this he is making class legislation of the worst kind. He is taxing one group of our people for the necessities of life and exempting another group. We are taxing 56 percent of our population for the essential food products and exempting the other 44 percent. Most of this large burden will fall on the industrial East. It will be an overwhelming burden on the factories of this country because of the inability of the consumer to purchase at such tremendously increased prices. The man without a job or the man with a very small income will have a hard time buying even the necessities of life.

FARMER OWN MIDDLEMAN

"Are we considering that thousands upon thousands of small communities receive their milk and eggs from the farmers of those communities, that the farmer is his own middleman? Are we going to tax the farmer every time he churns 10 pounds of butter and trades with his poultry-farming neighbor for eggs? Almost every small farmer in this country churns butter for the people of his neighborhood. If all the processed basic commodities are not to be taxed, how under the sun can we expect any sort of equitable administration of the powers, or hope that they might be used successfully? What about the tax on grain which the farmer feeds to livestock? Much livestock food is necessarily bought from the processor; certainly the farmer is going to pay that tax, and it is going to be hard for him to pay.

"The powers of taxation given to the economic dictator are practically without limit. If at any time he finds that any agricultural commodity or product thereof comes into competition with any article processed from basic agricultural commodities, he may place a tax on the competing article. The manufacturers of leather shoes will descend on the dictator and demand the tax on canvas shoes and deerskin shoes, and every other kind of footwear which might be directly or indirectly related to agriculture, because these shoes are in competition with leather, which is processed from cattle. The fact is, there is hardly anything under the sun that a human being has to have that cannot, under the terms of this bill, be subjected to a merciless taxation. As one thing springs into competition, so will other things spring into competition with it, and by virtue of that competition might be brought into the processing tax. Thus it could go on, into an almost endless number of products.

WOULD INCREASE UNITED STATES PAY ROLLS

"Most certainly the administration of these powers can increase employment only by bolstering the Federal pay rolls for the purpose of tax collection. Where are the employees of fertilizer factories to secure new jobs when lands lie idle and fertilization is made impossible on the crop lands? Where are the employees of elevators and railroads to secure new jobs when the transportation of farm products drops to the anticipated point? Where are the innumerable farm hands who will be thrown out of jobs by virtue of the abandonment of the land which required their assistance to find jobs? It is proposed to increase the farmer's purchasing power so that he may buy new and more farm equipment. If the purpose of this bill is achieved, he will need less farm equipment and not more; he will actually have a surplus of plows, and of reapers, and of tractors. Where will the men who manufacture the equipment to farm these lands find new jobs? Possibly they can apply to the dictator for a job collecting taxes?

"Are we considering the tremendous number of small farms? Is it possible to police these innumerable agricultural plots where the products of a few acres of land are traded from year to year for new seed and for the bare necessities of life which we propose to tax? The exercise of these powers will work an excruciating hardship on this small farmer. He can reap little of the benefit but will bear the cross of taxation, until he staggers under the overwhelming weight of his burden. The rental of marginal lands will necessarily take place in the regions of large farms, and it is in these areas that great expanses of fertile soil are lying idle to await the day for cultivation.

GRAIN ACREAGE DOWN

"Out of 983,000,000 acres of farm land in this country only about 400,000,000 acres are devoted to the production of crops and most of the 583,000,000 acres not now used for crop production are located in the very areas bordering on the very farms where the

marginal lands we proposed to lease are located. Why, the acreage in wheat has actually decreased within the past 14 years, rather than increased. In 1919, 73,000,000 acres were planted in wheat and in 1929 only 62,000,000 acres were planted in wheat. Wheat acreage has decreased by 15.2 percent. Does this mean we have got to lease 11,000,000 acres of wheatland before we can begin the leasing of that wheatland which would curtail production? There has been a decrease in the past 14 years of 5,000,000 acres in cornland. Does this mean that we must first lease 5,000,000 acre of cornland before we can negotiate leases to actually curtail the production of corn? There has been a decrease of 12 percent in the acreage of oats planted in this country in the past 14 years. This decrease is 4½ million acres. What would prevent the oat farmers from planting those 4½ million acres after they had leased some of their present active land to the Government? There has been a decrease in the acreage planted in rye of more than 60 percent during the past 14 years, or over 4½ million acres. There has been a decrease of 3,000,000 acres in the land planted with hay in the past 14 years. In 1924 there were about 34,000,000 acres of cropland lying idle, or fallow, but in 1929 these idle lands had increased to 41,000,000 acres.

NUMBER OF CATTLE DOWN

"The actual number of cattle on our farms has decreased by 12,400,000 in the past 13 years. There has been a gradual reduction. Certainly we cannot expect to bring about such a tremendous further depreciation in the number of cattle on our farms. No; we are proposing to authorize an experiment which shows on its very face to be absurd. The per-capita production of wheat in 1932 was the lowest, with only one exception, since 1866. The acreage of wheat in 1929 was 11,000,000 less than in 1919. On the other hand, the consumption of wheat flour has been showing a greater decline. The per-capita consumption of wheat flour in 1932 was 23 percent less than in 1913. In the past 2 years it has declined more than 8 percent. Certainly no measure could possibly be contemplated which would more surely bring about further lowering of the consumption of wheat flour. Where on earth can we end by sending down wheat consumption and wheat production at the same time?

"Not only will this bill make the balancing of our National Budget a difficult matter, but it will create a new Budget even greater than the old. It will complicate our problems of national finance to a point where it will take generations to unravel them. Business men will have little confidence in the economic stability of this country with such powers reposing in a Cabinet officer. They will not know from one day to the next to what new experiment in taxation their products will be subjected. Open competition will be stifled, because successful competition would be penalized by taxation. Such power would be a dire and dangerous blow to the exercise of free and open competition among our industries.

BASED ON "HIGH COST OF LIVING"

"The agricultural dictator chooses the period of 1909 to 1914 as the basis for obtaining agricultural parity. The Democratic platform, adopted in 1912, in the very middle of this era, said, 'The high cost of living is a serious problem in every American home.' The Republican platform of the same year said, 'The high cost of living has become a matter of world concern.' Running for the Presidency on the Democratic platform, President Wilson said, 'The high cost of living will be a matter receiving the serious and determined consideration of my administration.' In 1912 both the Republicans and the Democrats were seeking votes by broadside attacks on the high cost of the necessities of life. Today this same period is being used as a basis for boosting prices on the necessities of life. Further than this, they are ignoring all natural laws of supply and demand and substituting therefor a system of taxation unparalleled in the annals of humankind.

"Even assuming that we are successful in some degree in overcoming the problem of agricultural lands not now in use, and having done that, are further successful in squandering hundreds of millions of dollars for the rental of lands now growing crops, how are we to be assured that farmers, anticipating a better price for their grain, will not devote their additional leisure and unused equipment to the business of intensive farming? No one will deny that a farmer can grow on 80 acres of land as much as he would ordinarily grow on 100 acres of land by reason of intensive agriculture. Certainly we cannot limit the distance between corn rows, nor between corn hills, nor limit the number of pigs to which a sow shall give birth. These are things beyond the control of any dictator and no power under the sun is capable of coping with such problems.

ASKS ABOUT EXPERT

"Assuming further that we were successful in raising the price of cotton, how are we to export? Surely we cannot sell in foreign markets a production which has been artificially boosted in value. How are we to meet competition from foreign countries? Even now Egypt is contemplating a vast increase in cotton acreage. Are we to sacrifice our foreign market at the expense of our domestic consumer?

"The President has stated that this is a new and untrod path. If it is to be trod once in this country, I predict that it will never be trod again so long as records exist in the world for the benefit of future generations. It is a path of price fixing by taxation through the exercise of dictatorship. For the past several years Brazil has been burning mountains of coffee, and coffee is selling at the lowest price in history. A few years ago Great Britain tried to fix the price of rubber and by an experiment with a single commodity, stirred up an economic hornet's nest throughout the world and ended with failure. We, ourselves, trod a path of price fixing—a dismal and expensive failure we are now almost ashamed to recall. Certainly the path of price fixing has been trod before. It is a path strewn with miserable and disastrous failures of every description. The experiments left destruction and chaos in their wake.

DICTATORSHIP NOT NEW PATH

"Surely a dictatorship does not constitute a new path. Dictatorships have sprung up in times of crises, when great civilizations, losing for a moment faith in long-established democracies, have placed their hope and trust in autocratic experiments in government. Nations have been taxed to death. Those who will face the truth today must know that this Nation, young as it is, is rapidly becoming smothered in a labyrinth of taxation which is eating away its vitals. No, there is no untrod path in price fixing, and no untrod path in taxation, and no untrod path in dictatorship. For thousands of years these paths have been followed, always beginning in an era of distress and ending in disaster.

"Our Government is already supporting entirely too great a number of people. As a result of the enormous increase in public employees and pensioners, all branches of Government in this country are supporting either wholly or in part, more than 10,000,000 people. Think of it! One seventh of the adult population of the country supported wholly or partially by taxation. And the number is increasing daily. Every month the Federal Government sends pension checks to 1,308,084 persons. Those receiving part or all their support from taxable resources of cities, States, and the Nation are:

Veterans	1,308,084
Federal employees of all classes	949,328
Tax-supported insane institutions	292,000
Prisoners, daily average	223,000
Federal hospital population	39,407
School teachers	1,037,605
State, city, and county pay rolls	1,312,000
Directly or indirectly on roads	2,750,000
Directly and indirectly, working on public construction	900,000

MANY PENSIONERS NOT INCLUDED

"The total number of persons in these groups is 8,811,424, and this figure does not include pensioners of cities, States, counties, and towns, or persons receiving bonuses or other forms of financial aid from any division of the Government. No public charities are included in these figures. In considering our public expenditures we should not lose sight of natural economic laws and the dangers of overtaxation.

"It is a strange thing that out of the miserable failures of our attempts to assist agriculture, we have not learned a fundamental lesson which the farmers themselves have tried to teach us. The farmers have cried out against the parasites of farm lobbies, of farm bureaus, of union organizers, and most particularly against the overwhelming cross of taxation. Our States and our cities and our counties, as well as the National Government, have been crucifying our citizens with ruthless expenditures. We pinion them down with taxes and more taxes, until they are scarcely able to move. The urban dweller cannot consume the farmer's wheat because he must pay the Government 40 percent of all he earns. I think the finest thing we can do to help the farmer would be to let him alone, with two exceptions: Help him in some way to relieve the burden of indebtedness and bring about a drastic reduction in his taxation through governmental economy. The farmers are sick and tired of farm lobbyists who pretend to be magicians. They are intelligent enough to know that there are no miracle men sacrificing their careers for the benefit of agriculture.

MINNESOTA FARMER SPEAKS

"A short excerpt from a letter from a Minnesota farmer will emphasize this point. It reads as follows:

"'People think the farmers are asking for all these things to be done, but it is just a bunch of grafters living on tax money. Just to show you how much the farmers want the county agents and all the other things, we had a tax meeting and, out of 120 people, 110 were against him and in 2 weeks the president of that bureau got the money allowed for him. People here are losing their places; and if they could be left alone a year until prices come back, they could save their homes. We are the people who should be protected, for we are trying to care for ourselves, and the real farmer has never asked anything but to be let alone.'

"I am not arbitrarily opposing the granting of unusual powers to the President. I believe a democracy should be flexible and that there may be times when the exercise of a very limited dictatorship would help guarantee the existence of the institutions and principles of such a democracy. The cost of Government has mounted high, and the inability of governing bodies to sufficiently reduce it has been demonstrated. In the matter of Government economy I think we were justified in extending the powers of the President. This same I believe to be true in the crisis which faced our banking system. We are justified in extending the powers of our national leader to meet grave emergencies; but I think when we unconditionally surrender our protectorate over the necessities of life, we are admitting a failure of democracy rather than making a move toward protecting its institutions. I cannot condone, even for a moment, a move of this Congress which would place in the hands of an Iowa newspaper publisher almost autocratic powers of taxation of the necessities of life; powers which in themselves constitute a dictatorship over

our entire economic system. The whole foundation of civilized government is based on the degree to which that government may control the necessities of life, and the manner in which it protects the rights of men to obtain food and shelter."

THOMAS JEFFERSON

Mr. KING. Mr. President, I ask unanimous consent to have inserted in the RECORD a very able and interesting address concerning Thomas Jefferson, delivered by my colleague the junior Senator from Utah [Mr. THOMAS] at the Jefferson banquet in St. Louis, Mo., on April 1, 1933.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

Last month in an address which I delivered in the Salt Lake Tabernacle, using Abraham Lincoln as a theme, I attempted to stress what might be called the basically spiritual factors used in forming a national cult. My theme then was Lincoln. My theme tonight will be Jefferson. The lives of both persons, though, inspire the same spiritual treatment; therefore, I trust that you will forgive me if I approach these two men as patron saints of our American democracy, and give them their proper place in our American national cult.

President Coolidge declared that the great hope of this country rests in its spiritual development; that nations without spirituality perish. The psalmist put it: "The fool hath said in his heart there is no God." In Proverbs we read, "Where there is no vision the people perish." Confucius, the great Chinese philosopher, said that eternal life is the social heritage; and Mencius, his chief disciple, in explaining what is meant by social heritage, does it by contrasting that which makes man different from the other animals. The lower animals, he said, have no social memory. Man, on the other hand, not only retains a memory of the past and is able to draw on experience to aid him in the present, but also can project himself and his fellows into the future. It is because of this fact that man alone of all the animals is first of all a teacher. Thus, great men never die; and valiant deeds live on forever. Thus national life and traditions are developed; and thus great cults are formed.

In this way human institutions become in very deed living souls—souls, too, with many characteristics. When the institution is a nation, the words, acts, and lives of those among the nation's great who represent the universal desire of the nation become the nation's ideal and inspiration. Thus, our national cult has been formed.

The lives of two men have been definitely placed by almost universal acceptance in the foundation of this cult, and mark two corners of its base. No one doubts but that the lives and ideals of Washington and Lincoln are part of this foundation of the American national spirit. The third corner may be occupied at one time or another by a Jefferson, a Roosevelt, a Jackson, or a Wilson; by an Emerson, an Edison, or an Elliott; by a Webster, an Adams, a Sumner, a Schultz, or a Benton; by a Hamilton, a Madison, a Franklin, or a Jay; by a Marshall, a Story, a Taft, or a Holmes; by a Martha Washington, a Dolly Adams, a Frances Willard, or a Jane Addams. All these and many more have, and are at times most worthy of, a place.

The fourth corner of this foundation of the American national cult shall be forever left vacant. It is the corner of projection, of aspiration, and hope. It is there that every American youth and every American maid, filled to the overflowing with the spirit of service for America, shall project himself or herself into his or her country's destiny. Thus, we have created a framework of an American cult. It is here that the spirit of America shall find its eternal existence.

As that which we call soul growth is the greatest essential for the individual, just so it is for the institution and the Nation. Men in nations and in institutions sometimes are found who see only the physical needs in those institutions and nations. To dull the spirit is to curb the soul growth. Men who would administer the affairs of nations and of institutions cannot too well learn that spirit. To destroy an ideal, to curb an aspiration, or to dull a soul is to give a killing effect. We must learn to realize that nations, like individuals, have souls. We cannot always lay our finger on it nor define it for, like the soul of man or like such a concept as Rousseau's general will, it cannot be described nor can it be discovered. But if this spirit is marred the damage is felt and the hurt is not removed in days, and at times the stain remains through the years. A gross, a narrow, or a dastardly act—such as giving rise to or incident to the perpetuation of, say, the Hitler regime in Germany—may bring sorrow to thousands and leave a lasting injury. The loss of a few lives in fanatical and zealous persecution, the destruction of property, may be soon overcome, but the spirit and genius which have made Germany and the German people what they are may be marred and hurt in a lasting way. A thoughtless, overly enthusiastic, ambitious act, based upon false pride or imagined injury to a national dignity, may destroy the spiritual glory which makes and keeps the Mikado's Empire a living soul and an inspiring motive to her whole people. A Shanghai incident or a Jewish injustice may gnaw for years at the souls of these great peoples as an unworthy act that worms its way everlastingly into the conscience of a thoughtful man.

Why has America definitely given to Washington and Lincoln places in our American national cult? Theodore Roosevelt, I think, has best answered that question for us. "There have been other men as great", said this strenuous American, "and other men as good, but in all the history of mankind there are no other two great men as good as these, and no other two good men as great." We know from reading further from Roosevelt what he meant by the two adjectives "good" and "great", for we see that he thought that both Washington and Lincoln possessed all the gentler virtues commonly exhibited by good men who lack rugged strength of character and all the strong qualities commonly exhibited to the exclusion of those gentler virtues by the "towering masters of mankind."

Let us now turn to a consideration of that cornerstone of our imagined national cult edifice on which we have engraved for tonight the name of Jefferson. Consider his life briefly, and see why we are justified in letting that life represent an outstanding ideal of American Democracy. Thomas Jefferson was president of the American Philosophical Society, and on the 11th day of April 1827 Nicholas Biddle delivered the society's oration in honor of Jefferson. I shall take from this great speech a paragraph essential in supplying our background and essential to the making of Jefferson the man, and of the creation of America the nation. I quote:

"Thomas Jefferson was born on the 2d day of April 1743 in the county of Albemarle in Virginia. His ancestors had at an early period emigrated from England to that Colony, where his grandfather was born. Of that gentleman little is known, and of his son the only circumstance much circulated is that he was one of the commissioners for settling the boundary between Virginia and North Carolina, and assisted in forming the map of Virginia, published under the name of Fry & Jefferson. These occupations require and presuppose studies of a liberal and scientific nature—but his character presents nothing remarkable; and our Thomas Jefferson, instead of the accidental luster which may be conferred by distinguished ancestry, enjoys the higher glory of being the first to illustrate his name. The patrimony derived from them placed him in a condition of moderate affluence, far beyond want yet not above exertion, that temperate zone of life most propitious to the culture of the heart and the understanding. He received his education at the College of William and Mary; on leaving which, he commenced the study of law under Chancellor Wythe, and after attaining his majority was elected a member of the State legislature. During several years afterward he was engaged in a successful and lucrative practice—and it is attested by one, eminently fitted by his own merit to appreciate that of others, that his arguments, which are still preserved, on the most intricate questions of law, prove his ability to reach the highest honors of his profession. Undoubtedly the vigor of mind which he could bring to any pursuit would have rendered him distinguished in it; but his repugnance to public speaking would probably have prevented his attaining great eminence as an advocate, and we may not regret that the intellectual discipline and acuteness of that profession were soon applied to his duties as a member of the legislature, and to those liberal studies which prepared him for the great crisis which was rapidly approaching. Of that event the first impulse was to startle into vigor the whole intellect of the country, to summon all its citizens to active duties, and to make every occupation and every profession yield up its brightest and its bravest to the camp and the senate. It is at such an hour, compared to which the excitements of ordinary existence are utterly spiritless, that the native strength of the human character is displayed in the moral sublimity of its nature. It is then are roused from the depths of their own musing the master spirits whom the common interests of life could not tempt from their seclusion, but who now come forth with the contagious enthusiasm of genius, and assume at once the dominion which less gifted minds are content to acknowledge and obey. In this commotion of all the original intellects of America, Jefferson yielded at once to the inspiration, and was from that hour devoted to the great cause of freedom."

In the making of this great Nation, what were Jefferson's own ideas about the essential factors? We find the answer to this question in Jefferson's own epitaph: "Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the statute of Virginia for religious freedom, and the father of the University of Virginia." In a life full of honors, of activities, here we find Democracy's patron saint recognizing as important, above the other things, national independence, that a nation may work out its life and destiny in its own way; individual independence, that a man may think as his mind directs, believe as his heart desires, and worship as he sees fit.

Then, in Jefferson's pride as a father of a university, do we not see his acceptance of the theory of a reasoned, planned, thoughtful, and intellectual life for both man and the Nation? The philosophy of progress is accepted, the perfectibility of man and government are hinted at, and both man and the Nation occupy a place of dignity in the eternal scheme of things as they were never before so privileged in the philosophies of other thinkers. Our American Constitution is now the oldest constitution on earth. This fundamental American institution has stabilized itself by becoming a living organism. The Jeffersonian philosophy has contributed to this.

America has not been frightened at experiment. Jefferson feared that man might become ruled by his dead. He therefore accepted the theory of revolution, and went so far as to assume that there should be a governmental revolution at least once in every generation, so that men's political ideas may not be re-

tarded by the past. And in the working-out of our governmental process this theory of revolution was incorporated in our constitutional scheme—of course, not by Jefferson personally, because Jefferson was not a member of our Constitutional Convention, nor was he even in our country at the time the Constitution was written; but his spirit was there, his doctrines were incorporated, and America in its election practices has followed the theory of governmental revolution, governmental change at regular periods in orderly manner—a substitution of ballots for bullets, if you will—but revolutionary change nevertheless.

Our Supreme Court scheme of interpretation reflects the fact that the American Constitution is a living organism and not a dead binding force. The Jeffersonian principle there shows itself. One other simple fact about the evolution of the American Government: There is, you know, the story of the person who went into a French bookshop and asked for a copy of the French Constitution. The book dealer replied: "I am sorry, but we do not carry current literature."

When the French Revolution was brought into existence, and at the meeting of their Constituent Assembly, it was decided by the idealistic Frenchmen there that in the government which was about to be set up, no person who was a member of the Constituent Assembly should be a beneficiary of the about-to-be-established government; idealistic, to be sure, but not politically practical. In answering the question, how it happened that America is stable, let us answer by contrasting this French experience with our own. The American fathers—some way or another—recognized the important fundamentals which Jefferson himself recognized in his own epitaph. America, to be sure, is both a child of evolution and revolution, but with us, after all, stability is due, first, to our great educational scheme, a fundamental Jeffersonian principle; second, to our recognition of the fact that government is, and always has been, a mere reflection of persons, and always acts in a personal way—a Jeffersonian principle; and, therefore, we see, in reviewing American history, the same leadership in the period of our revolution, in our constitution-making, and in the setting-up of our Government.

Let us note, to illustrate further, the life-long influence of Thomas Jefferson: First, his leadership as author of the Declaration of Independence; second, his leadership in our foreign relations with France; third, as author of the Northwestern Proviso, the fundamental scheme in accordance with which our new States have been organized; fourth, as an establisher of our foreign relations as Secretary of State under Washington; fifth, as Vice President, during which period he wrote Jefferson's Manual, the fundamental parliamentary rules, by which the Senate of the United States is guided to this day; sixth, his public-land scheme; seventh, his insistence upon the acceptance of the decimal system; eighth, his eight epoch-making years as President of the United States; ninth, his post-Presidential influence, extending until the day of his death in 1825, when Monticello became the shrine of American Democracy; tenth, his fathering of and his leadership in the great political party which has been contemporaneous with the whole history of our country, and which has contributed probably more than any other single thing to the American two-party system, and which has shown a power of existence greater than any single institution, excepting our Government itself. The Democratic Party survived the Civil War. It split, to be sure, but in 4 years it was reunited. The American churches were divided at the same time. They have not been able to come together since.

Other political parties have been to a greater extent single-issue parties, and therefore they have come and they have gone with their issues: The Federalist, the Whigs, and the Free-Soilers. The Democratic Party, based as it is upon the fundamental philosophy not only of government but actually of life itself, has stood throughout the history of our Nation, never completely vanquished. In relation to this it is interesting to point out that but two Presidents of the United States have had political theories universal in their application and world-wide in their nature, and these two have both been Democrats. Thomas Jefferson gave us the philosophy of democracy which has become a world-wide accepted fundamental principle. Democratic governments are attainable through the education and the training of democratically minded individuals. Governments derive their powers from the consent of the governed, and nations are made by a universal acceptance of the fundamentals of a democratic philosophy, which assumes, first of all, the perfectibility of man, his progressive growth and development, and the further acceptance of the theory that his nature is ultimately good. The acceptance of such doctrines results in a philosophy of the state, which recognizes national and state morality, and an ethical basis for political action.

Woodrow Wilson applied these same democratic theories in presenting his schemes for international actions and in his attempt to bring about an international morality, a world recognizing the law and acting in conformity with law, restraint rather than force, and an ultimate bowing of the individual national will to world sentiment.

Jeffersonian democracy has not yet been attained in the world in its perfected state or in its ultimate. Wilsonian international morality seems a long way off, but both are attainable, and the world will see both working, because both are based upon the highest ethical and moral political theories.

So far in our discussion we have lived in the past and dealt with theory. In practice what have we? Throughout the world we find the nations, in a way, turning their backs upon the fundamental Jeffersonian principles of the American Revolution. In the late war we fought, supposedly, to make the world safe for democracy, and wherever constitutions were set up after the Great War they were generally set up on a democratic basis. Thus the American Revolution gave promise of becoming a world-wide revolution and the accepted form for governmental organization throughout the earth. But the old governmental cycles seem to have a hold on man today, as Aristotle thought they had at all times, and everywhere in the world out of the democratic constitutions we see autocratic tendencies springing. Dictatorships seem to be the vogue. Are these facts contradictions or are they sequences? History alone will answer that question.

In times of national emergency it is necessary for nations to act as a unit. When things must be done immediately the details connected with the doing must be left to the one, or at least to the few. Watch American democracy working at the present time. Under an inspired leader we see the unifying influence of it work. Some may think that dictatorial powers are becoming the vogue here as in other lands. The history of our country shows us that this is not the truth. At every emergency in our history dictatorial power has been charged, but never once has a dictator in fact developed. God grant that we may never see the day when this shall be necessary; but we must have united action now or our emergency will not be overcome. I repeat: Watch us as a nation spring to the support of the inspired leadership of our newly inaugurated President, and note what united action can do. From one end of our country to another the spirit of despair is gone. Pessimism has left; optimism has returned, and men are living again lives of hope for the future. It is not merely psychological. The program so far presented, and so far initiated, and to a certain extent so far accomplished, is very much greater than merely a psychological program. It is economic; it is political; its effect will be lasting.

Let me review for you, if I may, the accomplishments of the last 25 days: The banking bill, the Economy Act, the beer bill, the emergency relief for earthquake sufferers in California, the reforestation bill. Unemployment measures are promised, a public-building program is projected, reforms in regard to investment securities will be forthcoming, agricultural relief bills are in the making. It is interesting to note that each one of these measures is based upon a theory which, in its final analysis, has for the upbuilding, the general welfare, and the economic happiness of the average man—the theory of democracy working. Never in the history of our country have we seen our Nation rallying so splendidly in support of fundamental Jeffersonian principles. Our ability to achieve will stand out as a beacon to a temporarily disillusioned world, which has lost faith in democracy and has fallen into the outstanding error of all history: That man is incapable of governing himself.

Now, for us here tonight, let us renew our faith in democracy, and point out the fact that all that man has gained throughout the whole history of humanity has been accomplished, because man was willing to experiment. People today would be on the same level as the Australian bushmen if certain individuals had not been willing to try—to test and to discover a better way to do, or a finer way to live.

The genius of the American Government, after all, is, as has been said by great thinkers on government, the fact that we have not a single American Government operating everywhere at the same time, but we have, in reality, 49 distinct and separate sovereignties operating at the same time, and each one a democracy. Each one, too, in a way, is experimenting with something new—some new change in accordance with a sort of scheme of trial and error, if you wish—but experimenting nevertheless. And out of this cannot help but come advancement, progress, new aspects, new interpretations, new ways of doing things. This is political man's way of proving that the law is made for man and not man for the law; in proving that it is the spirit that counts and not the letter. It is the philosophy, the philosophy of the wise of all times that we see operating in our Nation today.

Franklin Roosevelt, our great leader, has, thank God, shown himself to be a leader not afraid to try, not frightened of the new, not dealing with things in a spirit which accepts the theory that man is a victim of the law of his surroundings, be they economic, social, or political, but that man can remake and can change his economic, his political existence, if he so chooses. May the brightness of the leadership which we have seen displayed in the last month not be dimmed; may the enthusiasm of a nation united to do not be dulled; and may we all go forward with renewed faith and devotion, and believe in those great fundamental principles which have made us what we are, and which will keep us trying, trying, everlastingly trying, until the near ultimate is gained.

I am here as your guest tonight in a State and in a city which are not my own. I am loath to become a party to local politics; first, because I am your guest; and, second, because tonight we have tried to worship at the shrine of our American national cult as Americans, thinking only of the welfare of the people as a whole; but in many places in our country local elections are about to be held. Can we not all here tonight hope, work, and even pray, that in these elections the people of local communities will work and vote to prove the existence of a united Democracy, striving to help the average man, and will vote in such a way that they will prove to the world that America is united in every deed, in spirit, heart, and soul with Democracy's latest champion, Franklin D. Roosevelt.

5-DAY WEEK AND 6-HOUR DAY

Mr. BLACK. I move that the Senate proceed to the consideration of the bill (S. 158) to prevent interstate commerce in certain commodities and articles produced or manufactured in industrial activities in which persons are employed more than 5 days per week or 6 hours per day.

The VICE PRESIDENT. The question is on the motion of the Senator from Alabama that the Senate proceed to the consideration of Senate bill 158.

Mr. BORAH. I should like to ask the Senator if it is his intention to undertake to dispose of the measure today?

Mr. BLACK. I do not anticipate that we can dispose of it in 1 day, but I intend to speak on it immediately, both as to the policy involved and its constitutional features.

Mr. BORAH. I should be very glad to have the Senator discuss the measure.

Mr. BLACK. I expect to discuss it at length.

The VICE PRESIDENT. The question is on the motion of the Senator from Alabama.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 158) to prevent interstate commerce in certain commodities and articles produced or manufactured in industrial activities in which persons are employed more than 5 days per week or 6 hours per day, which had been reported from the Committee on the Judiciary with amendments.

Mr. BLACK. Mr. President, it is my intention at this time to discuss Senate bill 158, which, by motion, has been taken up in the Senate for consideration. I desire to invite those who have any questions in their minds as to the constitutional authority of Congress to pass this measure to remain in the Chamber, if they can, while I present the legal phases connected with the bill.

A thorough and careful and long and painstaking investigation has convinced me that there can be little question of the right of Congress to pass this bill in the form in which it appears before this body. I say that in spite of the fact that those who have given but superficial consideration to the decision of the Supreme Court in the child-labor case have frequently been of the opinion that this measure would come in direct conflict with that opinion. I deny that this bill would be held unconstitutional, even if the majority opinion of the court in the Dagenhart case should be adhered to. There is a clear line of demarcation, and, in my judgment, a careful and analytical study made by any lawyer interested in the proposition would cause him to reach the conclusion that, even if the majority opinion in the child-labor case should continue to be the law of the land, the bill would stand the test of the Supreme Court of the United States.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BLACK. I yield.

Mr. TYDINGS. I will ask the Senator if he will yield for a question now, or would he prefer that I withhold my question until later? I do not want to disrupt the Senator's line of argument.

Mr. BLACK. I am perfectly willing to proceed in either way. I have endeavored to arrange in logical sequence the questions occurring with reference to the bill. I shall have no objection, however, if Senators desire, to take them up in another order.

Mr. TYDINGS. I will accede to the Senator's wishes in the matter. I do not want to disrupt his argument, but I am anxious to get a couple of matters cleared up in my own mind. However, I will wait if the Senator prefers.

Mr. BLACK. It is my judgment that I shall probably discuss all the questions the Senator has in mind.

Mr. TYDINGS. Does the Senator intend to discuss those matters dealing with crops that are put up in a very short space of time?

Mr. BLACK. I will state to the Senator that perhaps with reference to that it would be as well to suggest my attitude now as at a later time.

A number of telegrams have reached Members of the Senate with reference to the application of the pending bill to canneries. The argument is made that on account of the short time the canneries are able to engage in work, it would not be possible for them to perform their duties, under the provisions of the bill.

When this bill came up before the subcommittee, we invited, publicly and every other way we knew how, all who were interested in any exceptions to appear before the subcommittee and make their requests known. I realized then, as I realize now, that perhaps there are some particular kinds of business as to which, by reason of the temporary nature of the work, there might necessarily be required some kind of an exception. I shall be very glad, before the bill reaches a final vote, to have those matters presented, with the full facts, so that the Senate can reach a conclusion as to whether the suggestions represent a bona-fide necessity, or simply a desire, and I shall be very glad to discuss that later with the Senator.

Mr. TYDINGS. I may point out to the Senator, just along the line of his own observation, that there are many industries in the country in which labor is transported for a period of 10 days or 2 weeks to deal with an agricultural crop which happens to come to harvest time all within a very short period, and in a great many cases the transportation of twice the amount of laborers would be necessitated, because if the days were divided up into two parts of 6 hours each, it would require the transportation of double the number of individuals with whom to perform the work.

The second thing I wanted to call to the Senator's attention was this: If the 5-day week and the 6-hour day are put into effect, how are the wages of those who are now working by the hour to be kept at their present standard from the standpoint of daily return?

Mr. BLACK. May I state to the Senator that his question came up before the subcommittee, and I expect to discuss it later. I will say, however, that if the bill should result, as did the share-the-work program, in bringing about a reduction of wages in proportion to the reduction of hours, it would not accomplish its purpose. It would not accomplish its purpose because all of us recognize that one of the chief difficulties in the economic machinery today is the lack of purchasing power on the part of those who must buy the products of the trade and commerce of this Nation.

A suggestion was made by some that the bill should have attached to it a provision for a minimum wage. The Supreme Court has expressly ruled, under the facts and circumstances then before it, that any minimum wage law would contravene the Constitution. Therefore, the Senate Judiciary Committee did not deem it wise to place on this bill a minimum-wage provision. But it is our opinion that if it could be done it would not be injurious to industry, by reason of the fact that the competitors of those who were compelled to maintain a decent standard of wages would also be compelled to do the same thing. The competitors of those who were compelled to work their employees shorter hours would have to do exactly the same thing.

The result would be that there would be established throughout the country a standard of working hours. There will be a decided hostility and opposition throughout this Nation to an effort on the part of those engaged in employing labor under present conditions to destroying further the purchasing power of this Nation by reducing wages in proportion to the reduction in hours. It is my belief that if industry did attempt to follow such a method, the power of Congress would be broadened and amplified to meet new conditions.

I expect to point out later that conditions may so change in a short period of time that legislation is justifiable under the Constitution which could not have been upheld under different conditions previously existing.

Mr. TYDINGS. Mr. President, will the Senator yield again?

Mr. BLACK. I yield.

Mr. TYDINGS. Of course, this bill has behind it the idea that we have reached the point where it is absolutely necessary to share the work, and I am not taking any exception to that. But as a practical result of the enactment of the bill, it occurs to me that this situation would be evolved: Suppose, for the sake of illustration, a plant were working 24 hours a day, and had three 8-hour shifts. Suppose, instead of having three 8-hour shifts, under this proposed law it would have to have four 6-hour shifts. A man working 8 hours a day, we will say, at 50 cents an hour, would be getting $4 a day. Would he not get $3 a day under this 6-hour bill? Of course, the amount of money which the mill would pay out would be the same for the day's work, except that 4 groups instead of 3 groups would receive the payment. Therefore, while more groups would be earning, those who are now employed would, to that extent, lose one third of the money they now receive for an 8-hour day. I was wondering whether or not the Senator had, as I know he has, considered that phase of the matter, and if my idea about it is correct or wrong.

Mr. BLACK. It is my judgment that the Senator's idea that such result would follow from this bill is wrong.

Mr. TYDINGS. Will the Senator let me interrupt his thought, and perhaps I can save him an explanation. The mill would then have to pay more for the same amount of work than it now pays for that amount of work, when 4 groups instead of 3 groups turn out the same amount of work in 24 hours, if all of them are to receive the same amount of daily wage under the 4-shift dispensation as they now receive under the 3-shift dispensation.

Mr. BLACK. I sincerely hope the Senator is correct; and I may state that such viewpoint was maintained by many before our committee who are engaged in manufacturing enterprises and others representing labor. My idea is that labor has been underpaid and that capital has been overpaid. I am of the opinion that that is one of the chief contributing causes to the present condition in which America finds itself.

Mr. TYDINGS. Mr. President, will the Senator yield again?

Mr. BLACK. I yield.

Mr. TYDINGS. I do not want to consume too much time, but as long as we are on this subject I would like to pursue it a step further. I cannot see how, by legislation, we can compel an employer who now has 3 shifts working 8 hours a day, and each person in each of those shifts making $4 a day, to pay 4 shifts $4 a day, when they render only three fourths as much service as would be rendered by an 8-hour shift.

Mr. BLACK. I may say to the Senator that the bill does not attempt to compel that.

Mr. TYDINGS. I understand that.

Mr. BLACK. As a matter of fact, if we had the legal authority, I would not object to that at all; but there will be other compelling factors. One of them will be the force of organized labor. Another will be the force of organized public opinion. It is my judgment that the people of this Nation have realized at last that men who are employed in industry cannot be starved, they cannot be underpaid, and at the same time depended upon to buy the products of industry throughout this Nation.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. McKELLAR. It seems that the bill does not cover agriculture at all.

Mr. BLACK. It does not.

Mr. McKELLAR. Why was that left out?

Mr. BLACK. It was left out deliberately, for the reason that the man who is working on a farm is at the mercy of the elements. The man who works in a factory is not. A factory is a shelter. Those employed there can work whether it rains, snows, sleets, or the sun shines. The farmer cannot. It is absolutely essential to his success that he put in every hour possible at the periods which are propitious for his work, while under other circumstances, when the rains come or the snows fall, he cannot work.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield. I would much prefer, if it is satisfactory, to continue with the argument in a logical way. I believe it would be more satisfactory.

Mr. TYDINGS. I will not interrupt the Senator again, but before we leave the line of conversation we have had——

Mr. BLACK. The Senator is interested in canneries.

Mr. TYDINGS. I am thinking of railroads now. Suppose a man working on the railroad 8 hours a day should be getting 50 cents an hour. Suppose he is going to be permitted to work only 6 hours a day, at 50 cents an hour. Obviously, he would be getting $3 a day instead of $4. I do not know whether we could compel or order the railroads to agree to pay the man who is working 6 hours a day $4 a day, which the man now working 8 hours obtains for his services. Unless we are able to do that, we might as well face the situation frankly, that for those who are working on an hourly basis 8 hours a day, a compulsory 6-hour law will in many cases bring about a 25 percent reduction in compensation.

Mr. BLACK. In response to the Senator's statement I will say that the bill does not apply to railroads. It is my intention, however, to offer one that will, and it is my intention when I offer it to provide that wages cannot be reduced. We probably have that constitutional right with reference to the railroads. It is very questionable and exceedingly doubtful whether under present conditions we have the right with reference to other industries, but insofar as railroad operators are concerned, the Senator need rest under no uneasiness. We have that right.

Mr. TYDINGS. If the Senator will yield for one more question, I will promise not to interrupt further.

Mr. BLACK. I yield.

Mr. TYDINGS. I only used the railroads as an illustration. Of course, the illustration might apply to any industry.

May I point out that many industries now, public service and otherwise, like the railroads, are in the hands of receivers? That means that they have not had enough money to meet expenses under the old dispensation. If the Senator's philosophy is carried out as expressed in this bill, namely, that for shorter hours men shall receive the same amount of daily wage, I am at a loss to know where the money is to come from for these concerns now in the hands of receivers to pay the extra wages, if they cannot keep their heads above water under the old dispensation.

Mr. BLACK. I shall be glad to reply to the Senator, although, as I have stated, the bill would not apply to railroads. Under the old dispensation of watered stock, under the old dispensation of $150,000-per-year salary for corporation presidents and officers, under the old dispensation—

> That they should take who have the power,
> And they should keep who can—

I agree with the Senator; but I contend that the inevitable result of increasing the wages of those working on railroads and working in industry would be to aid those very railroads and industries to obtain enough additional business and income, by reason of the improved conditions throughout the country, to operate in a successful manner. I stand upon the philosophy that I stated a few moments ago, and I believe any student of American statistics can establish the truth of it, that wage earners have been underpaid and capital has been overpaid. The inevitable result has been that we have taken away from the pockets of the very people upon whom we must depend as purchasers for our trade and commerce.

More than 90 percent of the trade and commerce of this Nation is carried on with the people of this Nation. More than 90 percent of those American customers are farmers and wage earners, so that underpayment to farmers and industrial workers creates a vicious circle. Whenever we take away from the pocket of labor more than we should

and put labor's money into the pocket of capital, we have permitted capital to destroy itself and to commit economic suicide; and that has been going on in this country for many years.

However, that is not the sole question involved in this bill. There are many other questions involved. Now that machinery has advanced to such a stage in this Nation that we can produce all that we need, both for foreign and for domestic consumption, by working shorter hours on the part of all the people, I desire to give to those people who have been promised it throughout the ages the benefit of that leisure which is justly theirs by reason of the improvement of machinery. Why should we cling tenaciously to a system which forces 12,000,000 men into idleness in order that twelve or twenty-five million more may work 10, 12, 13, 14, 15, and 16 hours per day?

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BLACK. I do.

Mr. NORRIS. I should like to suggest to the Senator from Alabama also that the argument implied in the interruption of the Senator from Maryland [Mr. TYDINGS] has been made from the beginning, whenever any attempt has been made to reduce the hours of labor. The same argument was made when an attempt was made to reduce the hours of labor from 16 to 12, and from 12 to 10, and from 10 to 8. If conditions have been changing—as everybody concedes they have been—in order to prevent an oversupply of the things that feed and clothe the people we must provide for a shorter work week and workday, unless we are to have the same thing that would have happened if we had not reduced the hours of labor from 10 hours to 8 hours.

Mr. BLACK. The Senator is absolutely correct.

Mr. VANDENBERG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Michigan?

Mr. BLACK. I yield; yes.

Mr. VANDENBERG. Does the Senator intend to revert later to the practical phase of perishable commodities, or would he care to pursue that matter now?

Mr. BLACK. I may state to the Senator that a great many Senators have called me and come to see me about that matter. I will state further that so far as I am individually concerned, if it can be established that work cannot be carried on practically and fairly and justly in any particular industry at any particular time, by reason of exceptional circumstances connected with that industry, I shall be glad to go over the matter with Senators, and let it be presented to the Senate in such a way as they see fit in connection with any amendment they may propose.

Mr. VANDENBERG. I should expect that to be the Senator's viewpoint, because, of course, there would be no object in enforcing, for instance, a rule of industrial conduct upon a beet-sugar factory or a canning factory which in effect would cut back the net advantage to the farmer himself in that area. It occurs to me, in line with the Senator's very generous observation a moment ago, that it might be possible to work out an emergency license permit in the hands of the Secretary of Labor. Might not that be possible?

Mr. BLACK. I think it is.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Minnesota?

Mr. BLACK. I yield.

Mr. SHIPSTEAD. I desire to compliment the Senator on the excellent argument he is making; and in line with what he said let me observe that the Government statistics show that from 1922 up until the present time, with the exception of 1929, unemployment was increasing in the United States. The Government statistics also show that during that period of time the aggregate income to agriculture up until 1927 was reduced by more than 40 percent, and the income to labor during the same time had decreased in the aggregate 30 percent, while the income to industry had increased 72 percent. Since 1927, of course, we know that agriculture's income and labor's income have been further greatly reduced.

I thank the Senator for permitting this interruption.

Mr. BLACK. The Senator is correct, and I thank him for his valuable comment.

Now, Mr. President, since I desire to approach the subject of the right of Congress to pass this bill, I shall, so far as possible, proceed. Of course, if there is any particular point at which I arrive that a Senator feels should be further discussed at that time, I shall not object to an interruption.

I call attention, however, to the fact that this bill, and our right to pass this bill, rest squarely upon section 8, article I of the Constitution, which, insofar as it is pertinent, reads as follows:

> The Congress shall have power * * * to regulate commerce with foreign nations, and among the several States.

A discussion of this measure requires a consideration of the two phases of governmental policy and constitutionality.

There appear in the CONGRESSIONAL RECORD of January 10, 1933, the reasons prompting me to offer the bill. It is not my intention to repeat the details contained in these remarks.

After the bill was introduced, extensive hearings were conducted by a subcommittee of the Senate Judiciary Committee. Those hearings are printed and available to those who are interested.

On February 25 I discussed in the Senate the evidence produced at the hearings. At the present time I shall not again discuss the facts believed to justify this legislation, nor its underlying philosophy, except so much as may be necessary to provide the background for the application of the legal principles invoked to support the constitutional right for enactment of the bill.

It is not out of place, however, to call attention to the fact that recent years have developed a judicial tendency to emphasize human relationships and social necessities in the application of legal principles. Many people have looked upon this gradual evolution of the judicial mind as indicating an awakened consciousness to the wants and needs of human beings in a highly complex commercial civilization. Legalistic formulas invented in past centuries to fit past conditions and theories have in recent years been exposed to public and judicial criticism as a people faced by new problems and modern dangers seek a way to release themselves from human inequalities produced and fostered by a reverence for these antiquated formulas.

Even the great Supreme Court of this Nation has written judicial interpretations of the Constitution, persuaded by briefs containing a few pages of legal principles and hundreds of pages of facts compiled from an examination of social statistics relating to health, morals, and human happiness. Without sacrificing any of those principles of honesty and good faith that have since the foundation of this Government protected the right of ownership of property honestly acquired and fairly used, the tendency of today is to give a new and exalted emphasis to the more sacred right of human beings to enjoy health, happiness, and security justly theirs in proportion to their industry, frugality, energy, and honesty. My reference is to the growing hostility to permitting a blind and extravagant worship of property rights to smother, submerge, and take away fundamental and inherent human rights.

In our system of checks and balances each right and privilege has its place. In the very infancy of this Government, however, a great southerner said that "the spirit of commerce is the spirit of greed." While this indictment cannot stand against all individuals engaged in commerce, it is unfortunately too true with reference to many. I attribute the modern emphasis upon social rights, now frequently and happily reflected in our judicial decisions, as an effort to curb this spirit of avarice, and preserve for our people the beneficent advantages that a fair trade and commerce can afford a nation.

In accord with this spirit I should like to sketch a bare outline of the conditions, Nation-wide, and to some extent world-wide, that prompt this legislation. In no other way can we properly approach a consideration of the legal principles invoked to justify its passage nor make clear the constitutional base upon which it rests.

This country and much of the civilized world have suddenly emerged into a new economic era. Results have proven that we were wholly unprepared for the transition. Falling suddenly from the dizzy heights of whirling business activities, boasted prosperity and plenty, and credulous superoptimism, the people were at first dazed. Then followed a time of expectant hope, that nothing could be wrong and conditions would soon naturally and normally return. As it grew more and more apparent that old methods would not revive languishing commerce and despairing agriculture efforts were made to treat the national ills with worn-out remedies, wholly unsuited to present troubles, and which failed to follow the new spirit of social progress born of human needs and human wants.

Now the time has come to look squarely at conditions, analyze the causes of our troubles, and with pioneer courage blaze new trails out of our maze of difficulties.

There are some facts that stand out in bold relief.

One fact is that our commercial system cannot live if the producers of the Nation are impoverished. Our manufactured goods cannot be sold in the United States unless our farmers and our industrial workers can buy them. Our agricultural products cannot be sold in the United States unless our farmers and industrial workers can buy them. The chief market for American goods is in America; and our chief customers for American goods in America are farmers and industrial workers. Since the United States has in the past, and will in the future, sell more than 90 percent of the products sold to American customers, Americans must be able to buy American goods, or American commerce cannot be revived.

The agricultural phase of this problem does not directly enter into this discussion. It does indirectly. The major portion of American farm products is sold to industrial workers. Whatever impoverishes the industrial worker tends in turn to impoverish the farmer.

Today, more than 12,000,000 Americans are jobless. This is more than one fourth of the wage earners of America. Millions more are working part time. Until this condition is changed, there is no hope for normal trade and commerce to be resumed. A witness before the committee studying this bill computed the annual loss to America of 12,000,000 unemployed at $400,000,000 weekly, or $20,000,000,000 per annum. This, he said, was the loss figured in unfeeling dollars. The indirect loss of health, training, mental and physical degeneration, and loss of stamina cannot be estimated.

For 4 years the number of unemployed has been growing. It is perhaps useless to theorize now on the causes of unemployment. On February 26, in this Chamber, I called attention to the growing displacement of men by machinery. It is sufficient for the purposes of presenting the legal phases of this bill to present the fact of unemployment, not its causes.

Unemployment grows from unemployment. Poverty feeds upon poverty. Legitimate commerce and trade enriches a nation and its people, if operated under rules free from greed and privilege, and in such way that all can participate in its advantages and opportunities.

Unemployment must be met and wiped out before trade and commerce can be revived. It is useless to lend money to some of the people unless we give the unemployed a chance to work. We have tried that method and it has failed.

The reforestation bill will likely give jobs to 250,000 men, or about one fiftieth of the totally unemployed. The passage of that measure was a distinctly forward movement in our fight.

The proposed public-works program may employ another million. We will still have between ten and eleven million people wholly out of work after these projects are in effect.

This problem of unemployment must be solved. Our people have been patient. They have been patient because they have not lost hope. When people lose hope they want change, and when enough people lose hope they will have change. This problem of unemployment and human misery has changed the map of Europe. It has brought startling changes in the governments of Europe.

The time is here when we must put America's unemployed to work. The failure to adopt every means that gives reasonable promise of success is indefensible. It is not in keeping with a Government which maintains the tradition that it is "of, for, and by the people."

The stagnation of trade and commerce, and its consequent unemployment, is the greatest national emergency this country has been called upon to meet. Four times as many American citizens are now unemployed as the total American Army during the World War. Our schools are closed, in large numbers, throughout the Nation. Our children are losing the chance for mental development. Hunger and undernourishment combine to stunt and dwarf both mind and body, and we face a coming generation embittered by poverty and weakened by sickness and disease. For the first time in American history the National Government has been compelled to directly appropriate practically $1,000,000,000, for food, clothing, and shelter for people in 48 States. At the same time we have appropriated practically $4,000,000,000 to sustain financially weakened business ventures in every State in the Union. This $4,000,000,000 appropriation was made in an effort to revive languishing trade and commerce among the States, in order that people might work. Surely, after appropriations of billions of American dollars to sustain American interstate commerce, no one now would be bold enough to deny that the Federal Government has not only a humane interest but a direct money interest in controlling this commerce in such a way that it may not be completely destroyed; surely, no one will say that if emergencies ever justify it, threatening, as it does, the life of commerce. If the commerce of a commercial nation dies, what happens to the nation?

Let us see what the Supreme Court of the United States says about emergency legislation.

In Two Hundred and Fifty-sixth United States Reports, page 156, the case of Block against Hirsh, the Supreme Court had under consideration a bill affecting the District of Columbia passed by Congress, and a bill passed in the State of New York by the Legislature of New York, both of which related to rental contracts. These two bills were passed affecting rental contracts, although the Constitution provides that no law shall be passed impairing the obligation of contracts. There was no question raised about that, so far as I can see, in the majority opinion. The minority emphasized that constitutional provision. The minority opinion asserted that this law was in effect a suspension of this constitutional provision. The majority, however, took an entirely different position. Let me read from the opinion of the majority.

Remember that the bill which the Senate has up for consideration is for a period of 2 years. It states on its face that it is emergency legislation. It has a legislative declaration that something must be done in order to preserve interstate commerce from collapse and destruction. With this fact in mind, let me read you what the Supreme Court of the United States said with reference to a bill which contained a 2-year limitation to meet emergency conditions. This bill is based on a specific constitutional provision.

Here is what the majority opinion said:

> No doubt it is true that the legislative declaration of facts that are material only as the ground for enacting a rule of law—for instance, that a certain use is a public one—may not be held conclusive by the courts—

Citing several cases—

> but a declaration by a legislature concerning public conditions that by necessity and duty it must know is entitled at least to great respect. In this instance Congress stated a publicly notorious and almost world-wide fact.

I digress there to call attention to the fact that Congress is here calling attention to a "publicly notorious and world-wide fact." The bill now under consideration calls attention

to the fact that 12 million American citizens are without jobs and that their earning and purchasing power is destroyed. Continuing the quotation:

> In this instance Congress stated a publicly notorious and almost world-wide fact. That the emergency declared by the statute did exist must be assumed, and the question is whether Congress was incompetent to meet it in the way in which it has been met by most of the civilized countries of the world.
>
> The general proposition to be maintained is that circumstances have clothed the letting of buildings in the District of Columbia with a public interest so great as to justify regulation by law. Plainly, circumstances may so change in time or so differ in space as to clothe with such an interest what at other times or in other places would be a matter of purely private concern.

A number of cases are here cited to support that proposition. The Court states further:

> They sufficiently illustrate what hardly would be denied. They illustrate also that the use by the public generally of each specific thing affected cannot be made the test of public interest, *Mt. Vernon-Woodberry Cotton Duck Co.* v. *Alabama Interstate Power Co.* (240 U.S. 30, 32), and that the public interest may extend to the use of land. They dispel the notion that what in its immediate aspect may be only a private transaction may not be raised by its class or character to a public affair.

I read further from the opinion of the Court, at page 156, as follows:

> Congress has stated the unquestionable embarrassment of government and danger to the public health in the existing condition of things. The space in Washington is necessarily monopolized in comparatively few hands, and letting portions of it is as much a business as any other. Housing is a necessary of life. * * *
>
> Perhaps it would be too strict to deal with this case as concerning only the requirement of 30 days' notice. For although the plaintiff alleged that he wanted the premises for his own use the defendant denied it and might have prevailed upon that issue under the act. The general question to which we have adverted must be decided, if not in this then in the next case, and it should be disposed of now. The main point against the law is that tenants are allowed to remain in possession at the same rent that they have been paying, unless modified by the Commission established by the act, and that thus the use of the land and the right of the owner to do what he will with his own and to make what contracts he pleases are cut down. But if the public interest be established the regulation of rates is one of the first forms in which it is asserted, and the validity of such regulation has been settled since *Munn* v. *Illinois* (94 U.S. 113). It is said that a grain elevator may go out of business whereas here the use is fastened upon the land. The power to go out of business, when it exists, is an illusory answer to gas companies and waterworks, but we need not stop at that. The regulation is put and justified only as a temporary measure. (See *Wilson* v. *New*, 243 U.S. 332, 345, 346; *Fort Smith & Western R.R. Co.* v. *Mills*, 253 U.S. 206.) A limit in time, to tide over a passing trouble, well may justify a law that could not be upheld as a permanent change.

What do we have in this bill? A limit in time. What is that limit? It is 2 years. What was the limit in the case before the Supreme Court? It was 2 years. Upon what justification did the Court rest its opinion? That there was an emergency existing by reason of the terrible conditions prevailing throughout this country and notoriously throughout the world. The Supreme Court in that case specifically made the statement, as it had already done in the case of Wilson against New, upholding the Adamson 8-hour law, that it was a temporary law, and that for that reason it was justified in being passed, even though, but for the emergency, it would not have run the constitutional gantlet.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. MCCARRAN in the chair). Does the Senator from Alabama yield to the Senator from Texas?

Mr. BLACK. I yield to the Senator.

Mr. CONNALLY. I do not want to disturb the Senator's line of argument, but I assume the Senator's bill is based on the power of Congress to control interstate commerce?

Mr. BLACK. That is correct.

Mr. CONNALLY. In the *Child Labor cases*, the last one before the Supreme Court, as I remember, the Court held that Congress could not control child labor because it was expended on products prior to their entrance into interstate commerce. I am wondering if the Senator will discuss that point later in the course of his argument?

Mr. BLACK. I expect to discuss that fully.

Mr. CONNALLY. Will the Senator distinguish between the lack of power of the Government to regulate child labor in a factory and the power to regulate adults as to their hours of labor?

Mr. BLACK. It is my intention fully to do so. I might state to the Senator that I expect also, although I do not think it is necessary, to call attention to the fact that that was an opinion rendered by a majority of 5 to 4. I do not concede, insofar as I am personally concerned, that a 5-to-4 decision of the Court is necessary final. The Constitution is final.

Mr. CONNALLY. At least it is entitled to as much weight as a 4-to-5 opinion.

Mr. BLACK. The Senator is correct. I expect to go into that matter fully and completely. It is a most natural inquiry to make.

Mr. CONNALLY. Let me ask the Senator this question on the point about which the Senator is now talking. Of course, the Constitution does not recognize any difference in the power of Congress normally and in times of emergency. As I understand the Senator from Alabama, however, he contends that emergent conditions change the facts, and, therefore, that an exercise of power by Congress has to depend on the conditions, and that that power would be given to Congress to do something in an emergency because of those facts——

Mr. BLACK. For the emergency.

Mr. CONNALLY. Which it would not have power to do in normal times.

Mr. BLACK. The Senator is correct, and the Supreme Court has so expressly held in this and in three other cases.

Mr. BORAH. Mr. President, do I understand the Senator to admit that if this were permanent legislation it would be unconstitutional?

Mr. BLACK. Oh, no; I do not. I am simply calling attention now to this one phase of it, that, even if anyone should reach the conclusion that permanent legislation would not be authorized by the Constitution, that conclusion could not be urged with reference to legislation for 2 years only without ignoring the opinions of the Supreme Court in the case of Block against Hirsh, of Brown against Feldman, of Wilson against New, and of Fort Smith Railroad against Mills.

I do not know whether or not the Senator was here when I read from the case to which I was referring. I will state exactly the position which I take with reference to this phase of legislation. It is this, that laws must fit conditions and that a condition might exist one year that would not exist the next year. The Supreme Court expressly held in this case, in the teeth of the constitutional inhibition against the impairment of contracts, that the obligation of contracts could be impaired in order to meet an emergent situation for a period of 2 years. They have expressly held in the case of Wilson against New, under the Adamson 8-hour law, that while Congress does not have the power to regulate minimum wages, in order to meet the emergency existing at that time, Congress did have the right to pass a temporary emergency bill in spite of the fact that if it had been permanent legislation it would have been stricken down as contrary to the Constitution. There can be no question——

Mr. BORAH. It is a question which disturbs me, I will say to the Senator.

Mr. BLACK. I say there can be no question that if these cases set forth the law, if they are to be accepted as meaning what they say, then to meet a present existing emergency for a temporary period of time Congress does have the right to enact legislation which it would not have the right to enact if it were of a permanent nature.

Mr. BORAH. In other words, it is the contention of the Senator that conditions may suspend the provisions of the Constitution, so that a law which would not, as a permanent measure, be constitutional would be constitutional as an emergency proposition?

Mr. BLACK. That is the contention of the Court, and not of the Senator from Alabama. I have just read one of

the cases which so holds. I shall now read from another. There can be no question in the mind of anyone who reads these cases.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Texas?

Mr. BLACK. I yield.

Mr. CONNALLY. The Senator does not contend, however, that the mere declaration by Congress of an emergency or even a fact is at all conclusive?

Mr. BLACK. It is not conclusive, but it is entitled, as the Court says, to great respect.

Mr. CONNALLY. It is simply persuasive, and if the Court should find that Congress had used that pretext to exercise power the Court would, of course, set the act aside.

Mr. BLACK. If the Court should find that Congress exercised it arbitrarily and capriciously upon facts that did not exist.

Mr. CONNALLY. Would not the Court find whether it did act capriciously or arbitrarily if the facts did not in fact exist?

Mr. BLACK. Certainly.

Mr. CONNALLY. In other words, there is, it might be said, a tentative presumption as to the accuracy of the declaration by Congress of the existence of a certain state of facts, but the declaration is not conclusive, and the Senator does not contend it would be conclusive, as I understand.

Mr. BLACK. I do not.

Mr. ROBINSON of Arkansas. Mr. President, may I ask a question of the Senator from Alabama?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. Whence is derived the power to suspend the Constitution or any provision of it because of an emergency?

Mr. BLACK. That was the question asked by the minority in the case from which I have just read. The minority said that the law in question could not be upheld and that even the emergency could not justify ignoring the constitutional prohibition.

Mr. ROBINSON of Arkansas. It is my understanding that the object of constitutional limitations is to safeguard fundamental rights and to prevent the exercise of powers that might be found oppressive or detrimental. It is to avoid abuses which might occur. I do not understand that there is any authority in Congress, or any other body, to say that an emergency exists and because of an emergency we will suspend the Constitution, except of course there are provisions of the Constitution which in themselves recognize emergencies. There is a provision in the Constitution having relation to the writ of habeas corpus, declaring that it shall not be suspended except in time of war or rebellion; but if constitutional limitations are to be applied only when conditions are normal and are to be disregarded when conditions are abnormal, I think that would result in a complete breakdown of constitutional government.

Mr. BORAH. It would result in a complete judicial autocracy or oligarchy in this country.

Mr. ROBINSON of Arkansas. Yes. It has been said here that power does not exist in the Congress to say when an emergency rule is applicable. It follows that the power, if it exists at all, must be found in the judiciary.

Mr. BORAH. Exactly.

Mr. ROBINSON of Arkansas. I do not think the judiciary have any more power to suspend the Constitution than has the Congress.

I am in sympathy with the provisions of the Senator's bill and believe that in due course the bill should be enacted; but if, in order to do so, we must act on the theory that the courts are empowered to suspend or abrogate any provision of the Constitution, I should proceed very reluctantly.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield; and I shall answer the Senator from Arkansas in a moment.

Mr. BORAH. Could the Supreme Court of the United States declare, if an emergency should arise, that the right of trial by jury could be suspended for a limited period of time?

Mr. BLACK. In the case referred to the Supreme Court of the United States made no declaration at all. It was the Legislature of New York and the Congress of the United States that made the declaration as to an emergency.

Mr. BORAH. Exactly; but the Supreme Court said that the declarations of Congress and of the legislature were not conclusive.

Mr. BLACK. That is correct.

Mr. BORAH. Then, if the Constitution may be suspended by someone on account of an emergency, there must be somebody whose judgment will be conclusive; and if the judgment of Congress is not conclusive, and according to the contention of the Senator the Court has held that in an emergency the Constitution may be suspended, then the judgment of the Supreme Court must be the final judgment on that matter. I again ask, Could the Supreme Court declare such an emergency to exist as that the right of a free press would be suspended for a period, that the right of trial by jury would be suspended for a period, and that the right to have witnesses testify in the presence of the defendant would be suspended for a period? Where are we going to stop on this proposition?

I agree with the Senator from Arkansas. I am in thorough sympathy with the principle which is involved in the pending bill, and I believe we have got to come to it. I think social justice requires it, but I am not so sure that we can cut across lots to reach the objective. I am seeking a way to accomplish our objective which will stand.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Illinois?

Mr. BLACK. I yield to the Senator.

Mr. LEWIS. May I take the liberty to say to the Senators who have risen during the last few moments on this question that they may recall that the Milligan case answers nearly all the questions the able Senators have asked. That case came up from Indiana to the Supreme Court of the United States.

Mr. BLACK. It is cited in the case to which I have referred.

Mr. LEWIS. I was not conscious that it had been referred to, but I remember that in that case there was a reference to the very questions the able Senators have been putting to the Senator from Alabama.

Mr. BORAH. In the Milligan case, if the Senator from Alabama will pardon me, the Supreme Court declared the doctrine that provisions of the Constitution could be suspended upon the plea of an emergency was a most dangerous doctrine, and could be justified neither upon the terms of the Constitution or the plea of necessity.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. BLACK. I yield.

Mr. WAGNER. I did not understand the Senator from Alabama to contend that this proposed legislation contemplated suspending any provisions of the Constitution or any rights acquired under the Constitution. As I understand, all private contracts are subject to the condition that the rights acquired under such contracts are subordinated to the public interest, and, if the enforcement of any contract is contrary at the time to the public interest, it is not an impairment of the obligation of the contract to suspend those rights. In other words, the contract remains in existence, as I understand, but there is an implied condition in every contract that if any of the rights acquired under it conflict with the public interest and the public welfare, then to that extent such private rights must give way to the public welfare. I think that is all we are doing in this emergency legislation.

Mr. CONNALLY. Mr. President, may I interrupt the Senator again?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Texas?

Mr. BLACK. I yield.

Mr. CONNALLY. The Senator has read a case that relates to the District of Columbia rent law, as I understand.

Mr. BLACK. Yes; and the New York rent statute.

Mr. CONNALLY. I am wondering if there is anything in that case to point out the difference growing out of the functions which Congress exercises in legislating for the District of Columbia? I can understand how, under its general legislative power over the District, Congress has the police powers which the States ordinarily possess and all the legislative powers reposed in the States. I can understand how the Congress in legislating for the District might do something which would be constitutional and legal which it could not do with reference to the remainder of the country.

The Senator's bill, of course, relates to the whole United States. I have not read that case recently. I remember having read it at the time we had before us the rent matter. But is the power of Congress in that case based upon its general constitutional power to legislate for the whole country, or based upon its power to exercise the police power as a legislative body for the District of Columbia?

Mr. BLACK. The Supreme Court opinion cited in justification of the Court's attitude in the rent case is Wilson against New.

Mr. CONNALLY. Which is a State case.

Mr. BLACK. Wilson against New is a case involving the Federal act passed by Congress fixing the hours of labor on railroads, and a minimum wage, in which the Court held that there was no power on the part of Congress to enact a permanent minimum wage law. They have held that in a number of cases, but the Court in Wilson against New did hold that, to meet an emergency, there was power to temporarily fix a minimum wage to meet the national emergency.

Let me read what the minority said in this case. It may call to the attention of Senators some of the arguments which we have heard here. Understand, I do not base the validity of the pending bill upon any one idea or upon any one principle. I do assert that, if these two cases are the law of the land, and if there does exist at this time a national emergency which threatens interstate commerce and the very life of the Republic unless something is done, and done quickly, under these cases we would have a right to pass legislation of a temporary nature to meet the temporary emergency, when we might not have the right to pass legislation of a permanent nature. I base that upon the opinions of the Court. Let us see what the minority said in this case. Let us see what their argument was, because they are exactly in line. The minority of four in the rent case said, in part:

> I dissent from the opinion of the judgment of the Court. The grounds of dissent are the explicit provisions of the Constitution of the United States. The specifications of grounds are the irresistible deduction from those provisions, and we think would require no expression but for the opposition of those whose judgments challenge attention.

The dissenting opinion then at great length points out that no emergency can justify the passage of legislation, just as has been pointed out by the able Senator from Idaho and the able Senator from Arkansas. The minority in this case pointed out the exact arguments which have been raised on this floor in opposition to the opinion of the majority. Nevertheless, there stands unchallenged, unchanged, and unaltered the opinion of the Supreme Court of the United States that where an emergency condition exists which requires action, and rapid action, in order to correct the evil which is sapping at the very lifeblood of the Nation Congress has the right to pass temporary laws to meet the temporary emergency.

In the case of Wilson against New it was pointed out in the opinion that the Supreme Court had previously held a permanent wage law unconstitutional. The Court then declared the Adamson wage law to be a minimum wage law, and upheld it squarely upon the ground that the temporary emergency which threatened to tie up all interstate commerce of the United States justified the Congress of the United States in using powers necessary to meet the emergency by passing a temporary law under the commerce clause.

The Court, in the later case of *Fort Smith Railroad Co.* v. *Mills* (243 U.S. 332), specifically called attention to the fact that the constitutionality of the Adamson law was upheld not because it was justified as a permanent policy but because it was a temporary policy to meet a temporary emergency which threatened all the interstate commerce of the Nation.

Of course, that did not come under the war powers, but it came under the inherent power of the Government, acting under its Constitution, to preserve the safety and liberty and health and happiness of its people when threatened by an emergency, by a law passed to meet and for the time of the emergency. No one can read these cases and escape the conclusion that if there impends over this Republic an emergency which treatens its very life, which brings about undernourishment of its children, which closes its public schools, and cuts short the ambition of the youth of the land, which places business in bankruptcy and insolvency, which threatens to give to us a new generation stunted and dwarfed mentally and physically, and daily breeds discontent and hopeless despair, unless action is taken, and quick action, no one can read these cases and deny that unless they are overruled Congress has the right, under the commerce clause, to enact legislation of a temporary character to meet a temporary emergency, when the law ceases to be effective when the emergency is met.

I do not rest this bill upon that one principle, but I do assert that unless those cases are to be overruled by the Court this decision alone, under existing conditions, would justify the passage of this measure.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. WAGNER. For the same reason that Congress has the power, if the power exists in Congress, to pass this emergency legislation limiting the hours and the days of work, the State legislatures are also empowered to pass laws during this emergency limiting the hours of labor, just as Congress is attempting to limit them by the legislation proposed by the Senator.

Mr. BLACK. As I shall call attention to later, a State has a right to do it even not to meet an emergency, and I shall even call attention to the fact that the Supreme Court has held that we have exactly the same police power with reference to the commerce clause that the State has with reference to fixing the hours of labor and that it necessarily follows that we have the power.

Mr. WAGNER. If the Senator places it upon the ground of an emergency, of course I sustain him in that view.

Mr. BLACK. There is no question about it, and that is the reason why the statute of the State of New York was upheld.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. I wish to make clear at this juncture that it is my thought that the justification for this legislation must be found within the Constitution, rather than outside the Constitution. I do not believe that Congress has the power, or that the judiciary has the power, to set aside the Constitution for one hour, and I think that any case or any legislation that is rested on that basis will, in the end, prove subversive.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. LONG. I concur with what the Senator from Arkansas has said. The basis upon which I understand this and similar legislation is justified is that the public interest in an emergency is one thing, and when there is no emergency it is another. The public interest is always paramount, and in instances of such emergencies, where the public interest, as the Senator from Alabama illustrates,

requires shorter hours in order that interstate commerce may not be practically abandoned, then private contracts are subordinated to the greater welfare of the public in such an emergency. So it is within the Constitution.

Mr. BLACK. The Senator is correct. Let me now read a sentence from the decision of the Supreme Court. It is upon that that I rely.

Mr. WAGNER. Mr. President, will the Senator yield again?

Mr. BLACK. Let me read this one sentence.

Mr. WAGNER. Very well.

Mr. BLACK. The Supreme Court said:

A limit in time to tide over a passing trouble well may justify a law that could not be upheld as a permanent change.

Of course, that was the opinion of five members of the Supreme Court. I recognize the right, and I assert it here, to make the statement that the Constitution is the law, and not the individual opinions of judges.

Mr. ROBINSON of Arkansas. That is correct.

Mr. WAGNER. Will the Senator yield now?

Mr. BLACK. I yield.

Mr. WAGNER. That is the point I wanted to make. I happen to know about the New York State legislation as to the rent law, because I had the privilege of writing the first opinion, while I was on the bench in New York, holding the law constitutional, and that law was enacted under the Constitution, not in defiance of it.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. BONE. Does the Senator assume that on the face of the bill itself the measure is unconstitutional, and can only be sustained on the theory that it is emergency legislation?

Mr. BLACK. Oh, no; I believe the bill to be constitutional, and I believe it is constitutional for us to pass a law of a permanent nature along this line. My study of the law convinces me thoroughly that that is true. In the first place, I believe it is consistent with the majority of the Supreme Court in the *Child Labor* case, even though, in my opinion, that majority opinion was wrong.

I assert the same right with reference to that opinion of the Court as has been asserted here with reference to other opinions, namely, that we are governed by the Constitution of the United States in the final analysis, and not by the prepossessions of a certain number of judges who may write an opinion on a particular matter. But I have attempted to show by these cases that if there were nothing in the world in this bill except an emergency measure, under the four opinions which I have cited, which are decisions of the Supreme Court of the United States, the bill would run the constitutional gantlet. I do not mean to imply or to infer that it is necessary to rely upon the principle of emergency in order to sustain the bill. However, these are cases which I find in the library, the opinions have been written by the Supreme Court of this Nation, the Court have declared them to be their opinions of the law, and under them, if they do correctly state the law, there would not be the slightest possibility of escape from the irresistible conclusion that, as an emergency measure alone, this bill would have to be upheld.

Let us proceed farther, however, because I think this idea has been fully discussed. Let us see what is the power of Congress under the commerce clause of the Constitution. One who studies it and reads the numerous cases which have been cited will not wonder why so many people question efforts at times to draw distinctions, to reach legal conclusions, which distinctions are not authorized by logic or reason. An effort has been made by the courts to escape the plain intent and purpose of the commerce clause, and in order to do that we find their opinions from time to time occupying divergent positions with reference to the same question.

It is my belief, and I shall attempt to show, in reaching the child-labor case from the historical background, that the minority opinion in that case was undoubtedly representative of views and intentions of the writers of the Constitution, and that the majority opinion was an attempt to whittle it down. I do not say that with any degree of disrespect, of course, to the very able and learned justices who sat upon that or any other case. Frequently decisions appear as the result of prepossessions on the part of those who write the opinion. Frequently they are the natural outgrowth of an accepted political philosophy which has found its place in the life of the writer of the opinion. All of us know that such is true. It needs but to be asserted to be admitted.

Mr. President, let us look for a few minutes at what the power of Congress was, at what was intended when it was said that Congress should have the right "to regulate interstate commerce." Those are very simple words. It is very interesting to know that for the first 40 or 50 years of the history of this country the discussions all arose by reason of the efforts of the States to get power. For the last 50 years the controversies have arisen by reason of congressional action to obtain power, in the main.

The first opinion that was ever written on this clause was that in the case of Gibbons against Ogden, with which every lawyer here is of course familiar. The language from which I shall first read is that of Chief Justice Marshall. Let us see what was his first interpretation of the meaning of this clause. Said Chief Justice Marshall:

It is the power to regulate; that is, to prescribe the rule by which commerce is to be governed. This power, like all others vested in Congress, is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the Constitution. These are expressed in plain terms, and do not affect the questions which arise in this case, or which have been discussed at the bar. If, as has always been understood, the sovereignty of Congress, though limited to specified objects, is plenary as to those objects, the power over commerce with foreign nations, and among the several States, is vested in Congress as absolutely as it would be in a single government, having in its constitution the same restrictions on the exercise of the power as are found in the Constitution of the United States.

There was a clear and explicit statement of what the commerce clause meant. It meant that the Federal Government, with reference to the regulation of interstate commerce, had vested in it full and complete power, the same as though there had been no State lines, as was later said in substance by the Supreme Court of the United States, but that the States had absolute and complete plenary power within their boundaries as to commerce between people within the States. So we find that is the first clear exposition by Chief Justice Marshall in the original case which went up on this question.

Now let us see what was the statement made by Judge Johnson, who was appointed a Democrat, and who was supposed to represent the strict-construction idea of the Constitution of the United States. Judge Johnson came from South Carolina. He said:

The power of a sovereign State over commerce, therefore, amounts to nothing more than a power to limit and restrain it at pleasure.

Words could be no more emphatic than that.

And since the power to prescribe the limits to its freedom necessarily implies the power to determine what shall remain unrestrained, it follows that the power must be exclusive; it can reside but in one potentate; and hence the grant of this power carries with it the whole subject, leaving nothing for the State to act upon.

Now let us see what was the expression in the case of *Stockton* v. *B. & N. Y. Power Co.* (32 Fed. 9), by Mr. Justice Bradley, sitting as a circuit judge:

We think that the power of Congress is supreme over the whole subject, unimpeded and unembarrassed by State lines or State laws; that in this matter the country is one and the work to be accomplished is national. * * * In matters of foreign and interstate commerce there are no States.

And so, getting back to the very beginning of the history of this country, at a time when the trail was being blazed, and when these judges were fresh from their knowledge of the difficulties that this country had suffered by reason of clashes and conflicts of States in connection with commerce, we find that it was their opinion, representing as they did both the

Hamiltonian idea and the Jeffersonian idea, that with reference to interstate commerce the power of this Government was as supreme as though there had been no State lines.

This did not transgress upon the right of a State, because the State had full and complete right and authority to determine the rules and regulations governing commerce within the State exactly as it saw fit. It was only at a later date—at a date when it had been proven in this country that the spirit of commerce is the spirit of avarice—that there began to develop in the line of opinions a whittling down in accordance with a political philosophy which, in my judgment, too often overemphasized the sacred right of money and property and too often forgot the sacred right of human liberty, freedom, and the right to live.

Mr. Justice Harlan, in the famous *Lottery cases*, said:

That the power to regulate commerce is vested in Congress as absolutely as it would be in a single government having in its constitution—

What does that mean? That means that with reference to interstate commerce, intercourse and trade between the people of the various States, the power of Congress is supreme.

Going farther, the Court said:

Having in its constitution the same restrictions on the exercise of the power as are found in the Constitution of the United States; that such power is plenary, complete in itself, and may be exerted by Congress to its utmost extent, subject only to such limitations as the Constitution imposes upon the exercise of the powers granted by it; and that in determining the character of the regulations to be adopted, Congress has a large discretion which is not to be controlled by the courts simply because, in their opinion, such regulations may not be the best or most effective that could be employed.

That was in the case of *Champion* v. *Ames* (188 U.S. 321).

Let us travel a little farther:

Congress, in exercising its constitutional power over interstate commerce, may adopt police regulations, as well as the States, and it has power to adopt not only means necessary but convenient to its exercise.

That was decided in five different Supreme Court cases.

Going to the next opinion, upholding the Reed amendment to prohibit the shipment of liquor into dry States, the Supreme Court, in *United States* v. *Hill* (248 U.S. 420), said this:

That Congress possesses supreme authority to regulate interstate commerce, subject only to the limitations of the Constitution, is too well established to require the citation of the numerous cases in the Court which have so held. Congress may exercise this authority in aid of the policy of the State if it sees fit to do so. It is equally clear that the policy of Congress, acting independently of the States, may induce legislation without reference to the particular policy or law of any given State.

In other words, in that case it was distinctly held that the Congress of the United States, under the commerce clause, had a right to exercise such police power as it saw fit in order to enforce its regulations, or, if it deemed it convenient, to adopt such regulations.

Mr. REED. Mr. President, will the Senator tell us what was the nature of the regulation in that case?

Mr. BLACK. That was the *Lottery case*.

These are expressed in plain terms. The Court said with reference to that case.

If, as has always been understood, the sovereignty of Congress, though limited to specified objects, is plenary as to those objects, the power over commerce with foreign nations and among the several States is vested in Congress as absolutely as it would be in a single government—

Repeating:

having in its constitution the same restrictions on the exercise of the power as are found in the Constitution of the United States. * * * The power of a sovereign State over commerce, therefore, amounts to nothing more than a power to limit and restrain at pleasure.

Let us look further with reference to the power. Let us read from the more recent case of *Tagg Bros.* v. *United States* (280 U.S. 420), only recently decided. This was a most interesting case. It was a case in which Congress had passed a law which governed intrastate and interstate dealings with reference to the handling of stock. It was shown in this particular case that the law actually covered a broker, a stockbroker, in the State who had no capital but one horse, and who would ride on that horse into the stockyards, buy stock, and sell many of them within the State. Some of them, of course, would be sold without the State. The Secretary of Agriculture was given the power to, and he did, fix the rate of compensation for these brokers. Certainly it would look as if that were going to the farthest extreme. The stock had not yet reached the channels of interstate commerce. It was back there, in this case, in the State of Nebraska. It might never enter the channels of interstate commerce; but the Secretary of Agriculture fixed the fee to be charged by the broker without regard to whether he was buying this stock for interstate or intrastate commerce.

Now, note: That did not refer to something that was then already in the line of interstate commerce and being transported. It was in a circuit, just as anything else may be in a circuit from the time it grows in the field until it is sold. Not only that, there was nothing harmful about it. It was just plain stock that was to be used and sold for beef somewhere in the country. The Supreme Court said, with reference to this regulation—I have the book here if any Senator desires to see it:

The purpose of the regulation attached is to prevent their service from thus becoming an undue burden upon and obstruction of that commerce.

The Court is referring to interstate commerce. In other words, it says that even though this broker may be buying both for interstate and for intrastate commerce, the Federal Government has the right to go into the State of Nebraska, the State of California, or any other State, and fix the commission to be charged by the broker.

Let us see what was said in the case of *Swift & Co.* v. *United States* (196 U.S. 375).

But we do not mean to imply—

Says the Court—

that the rule which marks the point at which State taxation or regulation becomes permissible necessarily is beyond the scope of interference by Congress in cases where such interference is deemed necessary for the protection of commerce among the States.

In other words, the Court expressly said in that case that Congress has an absolute right to go into the State, even where the State itself, under its powers, can pass regulations, and the Congress of the United States can pass regulations governing transactions with reference to production, within the State, if they believe those transactions might interfere with interstate commerce thereafter.

Bear in mind that that is not limited to something that is harmful. It is not harmful. In the very case under discussion they were talking about something which was absolutely necessary to sustain life. The very case was with reference to the product of the packers. Not only was it not harmful but it had not then entered interstate commerce.

Let us see the next case, *Stafford* v. *Wallace* (258 U.S. 520):

The reasonable fear by Congress that such acts, usually lawful and affecting only intrastate commerce—

Note that—

when considered alone, will probably and more or less constantly be used in conspiracies against interstate commerce or constitute a direct and undue burden on it, expressed in this remedial legislation, serves the same purpose as the intent charged in the Swift indictment to bring acts of a similar character into the current of interstate commerce for Federal restraint.

Note that—

Acts usually lawful and affecting only intrastate commerce.

The Court goes on to say:

This Court will certainly not substitute its judgment for that of Congress in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent.

That was the case of Stafford against Wallace to which I have just called attention.

Mr. REED. Mr. President, will the Senator permit an interruption?

Mr. BLACK. Certainly.

Mr. REED. It seems to me the cases that the Senator has been citing all deal with the regulation of acts that would have some effect upon the flow of interstate commerce, such as the stockbroker's license fee, which, if excessive, would tend to restrain the volume of commerce.

Mr. BLACK. The Senator is correct.

Mr. REED. How, then, does the Senator think that that is a precedent for such a statute as that which he proposes here? Because, obviously, the hours of labor can have no effect upon the volume of interstate commerce, unless it may be that the effect of this act is to restrict production, and thereby diminish interstate commerce.

Mr. BLACK. The Senator has misconstrued the purpose stated by the Court as justifying the passage of that act. Also, the bill which I have, as I shall later point out, has a direct bearing on interstate commerce; and unless the hours of labor are reduced according to the commonly accepted opinion of this country it will be far more injurious to interstate commerce than anything guarded against by the packers' law. It will destroy it, and make it collapse, as we will have a weakened and impoverished and undernourished people, unable to buy through interstate commerce.

But the Court said that what was done within the State would affect those commodities in other States; and bear in mind that I was calling attention to that case particularly for the purpose of stressing the fact that the Congress went within the State and regulated both intrastate and interstate dealings, with the idea that after these dealings had occurred some of the product would later start in interstate commerce, and therefore it might constitute a burden that would be harmful to interstate commerce.

I shall read to the Senate in a few minutes the different statements that have been made as justifying laws which will cover a part of the proposition the Senator suggested.

So much for the law as it has been stated with reference to the powers of Congress. I shall later refer to the powers of Congress as construed in the Dagenhart case, the majority opinion of which, in my judgment, was a complete departure from the proper construction which was originally given to the Constitution; but, none the less, under the majority opinion, I shall attempt to show the Senate that this bill is wholly justified.

Now let us diverge for just a moment to a line of reasoning with reference to the police power of Congress.

Now, Mr. President, I desire to read to the Senate from the case of *State* v. *Bunting*, found in Seventy-one Oregon Reports. The portion from which I read is on page 263. I read this because the case later went to the Supreme Court and because I shall show that if the opinions of the Supreme Court are to stand Congress has an absolute, unqualified right to fix the hours of labor in accordance with and springing from its police power under the commerce clause.

The Supreme Court of Oregon, in this case, made this statement:

> The hours of labor in certain industries, in which too many hours of service in one day would be injurious to the health and well-being of the operatives, may be reasonably regulated by the State, under its police power. This power, legitimately exercised, can neither be limited by contract nor bartered away by legislation.

In other words, the Supreme Court of Oregon held that under the police power of the State the State had the right to fix the hours of labor in industry.

That case went to the Supreme Court of the United States. I shall read from the headnote, *Bunting* v. *Oregon* (243 U.S. 426):

> Section 2 of the General Laws of Oregon, 1913, c. 102, page 169, providing that "no person shall be employed in any mill, factory, or manufacturing establishment in this State more than 10 hours in any one day, except watchmen and employees when engaged in making necessary repairs, or in case of emergency, where life or property is in imminent danger: *Provided, however,* employees may work overtime not to exceed 3 hours in any one day, conditioned that payment be made for said overtime at the rate of time and one half of the regular wage", is construed as in purpose an hours of service law and as such is upheld as a valid health regulation.

Now, note, because it is very important in connection with the next case I shall read. The Supreme Court of Oregon said that the State of Oregon had the right, under the police power, to fix the hours of work in industry. The Supreme Court of the United States upheld that opinion of the Supreme Court of Oregon, holding, therefore, that the State had the right, within its police power, to fix the hours of labor.

I call the attention of the Senate to the fact that in the following cases the Supreme Court of the United States has expressly and explicitly held that within its constitutional authority over interstate commerce Congress may also adopt police regulations, as well as the States, so long as it confines the exercise of the power to subjects and agencies over which it has control. In other words, with reference to the hours of labor, the State has control for commerce within the State. With reference to the hours of labor, the very moment the stream and flow of interstate commerce is affected the Supreme Court of the United States has said that the Congress can exercise the same police power as can the State with reference to the subjects over which it has control.

Insofar as the Dagenhart majority opinion conflicts with that idea, by inference, it is a direct clash with the cases to which I have just cited to the Senate. In other words, the process of reasoning is irresistible. A State has a right under its police power to fix the hours of labor; Congress, as has been so held in numerous cases which I have read, has police power with reference to the subjects which have been entrusted to its care; and it has entrusted to its care the sole, exclusive, and plenary power over interstate commerce. If that be true, and Congress has police power—and the Supreme Court of the United States has expressly held that the fixing of the hours of labor is within the police power of a State—how can anyone justify a conclusion that Congress does not have the same power as that possessed by the State in connection with the regulation of interstate commerce?

Bear in mind that I have read before the Senate numerous cases which hold that with reference to interstate commerce the power of Congress is the same as though there were one single government. Using the language of one of the opinions, "With reference to interstate commerce, there are no States." That has been the express policy which has been followed down through the line of reasoning, and it was natural.

This Nation began its life as a commercial nation. Our forefathers had learned that a provision regulating commerce was in the Magna Carta. Following that principle they had inserted a provision with reference to commerce between the States in the Articles of Confederation, but that provision was weak and so weak it caused the people to say that the Articles of Confederation were no more than a rope of sand. Why did they say that? Because the individual States were given the right to determine on imports and exports within the State. One of the prime controlling reasons for writing the Constitution of the United States was that escape might be had from the burden which was thrown upon the commerce of the Nation, so that the Nation might grow and expand as a great commercial and trading people. So we find what? Congress has exactly the same police power that a State has with reference to those matters coming within its authority. Congress is given complete power over interstate commerce. The State in the exercise of its police power can fix the hours of labor. If the State can fix the hours of labor as to goods flowing in intrastate commerce, what argument or what reason can anyone assign why the Federal Government, having complete and plenary power over interstate commerce, cannot exercise its police power to protect its commerce from exactly the same evil against which it has been held the State can protect its commerce?

So, Mr. President, I again assert that, under this phase of the bill, in view of the exclusive and plenary right of Con-

gress to control interstate commerce between the States, with the historical background in this case, and the desire to have a free and unimpeded commerce subject only to rules and regulations fixed by the Congress, the conclusion is irresistible that, in the exercise of its unquestioned police power, it can exercise that power to protect itself the same as the State can exercise its police power to protect itself.

Mr. President, I shall go on from the police power of Congress, leaving simply this thought, that the chain is there; there is not a missing link. The Congress has power to regulate interstate commerce; the Congress has police power with reference to interstate commerce; and police power includes the right to fix the hours of labor. The States have been held by the Supreme Court of the United States to have the power under their police power to fix hours of labor. Therefore the conclusion is irresistible that the Government of the United States, having supreme power over interstate commerce, is certainly no weaker than the States to protect its commerce from the same kind of goods that the State can protect itself from in order to carry on its commerce.

Mr. President, how will this bill go into the court? It will go into the court according to the opinion in the case of *Adkins* v. *Children's Hospital* (261 U.S. 544) with—

> Every possible presumption is in favor of validity of an act of Congress until overcome beyond rational doubt.

Not only that, but the bill, if enacted, will not be declared unconstitutional with reference to the provision as to the hours of labor unless "it is so clearly arbitrary or oppressive or so unreasonable and so far beyond the necessities of the case as to be deemed a purely arbitrary interference with lawful business transactions. That is an established rule of construction which has been upheld by the Supreme Court of the United States; and I read the language of the Supreme Court of the United States in the case of *Muller* v. *Oregon* (208 U.S. 412).

Now, who has the power to decide this policy? Congress. In the case of *Stafford* v. *Wallace* (258 U.S. 520) the Supreme Court said this:

> It is primarily for Congress to consider and decide the fact of danger and meet it. This Court will certainly not substitute its judgment for that of Congress in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent.

Who can say, with 12,000,000 men unemployed in America, with commerce between the States practically stopped, that the lack of purchasing power on the part of those people is wholly disconnected with interstate commerce? Who keeps up interstate commerce? The people of the United States. When they cannot buy, commerce perishes from the face of this Nation. It would certainly be strange and unusual to say that the Congress of the United States can protect the people from a conspiracy to fix the price of goods, but at the same time cannot protect them from conditions which are bringing death, starvation, misery, and destruction all over the land.

In the case of *Swift & Co.* v. *The United States* (196 U.S. 375) the Court said this:

> But we do not mean to imply that the rule which marks the point at which State regulations become necessary is beyond the scope of interference by Congress, in cases where such interference is deemed necessary for the protection of commerce among the States.

In the case of *Gibbons* v. *Ogden* (9 Wheat. 1), the Court said:

> The power of regulation "is vested in Congress as absolutely as it would be in a single government."

It has been held that in the single government of the State of Oregon they can fix the hours of labor for the goods which are used in intrastate commerce.

In the case of *Champion* v. *Ames* (188 U.S. 321), the Court said:

> In determining the character of the regulations to be adopted, Congress has a large discretion which is not to be controlled by the courts, simply because, in their opinion, such regulations may not be the best or most effective that could be employed.

In *See Cases* v. *United States*, 239, 510, the Court said:

> Its power to adopt not only means necessary but convenient to its exercise.

Thus we find that Congress is the judge of that which is convenient, of that which is necessary to protect its commerce, of that which is harmful to its people, and of that which will destroy its commerce. Only in the case the Supreme Court of the United States finds no reasonable connection between the legislation written and the object sought to be controlled in interstate commerce can the legislation be stricken down on the ground of its unconstitutionality.

An opinion has gone abroad in the land, and constantly we hear it, that Congress can prevent anything from being shipped in interstate commerce that is harmful, but that it must be harmful. Of course "harmful" is a very broad word. The thought is rather expressed facetiously, it seems to me, by Chief Justice Hughes in a recent opinion, when he calls attention to the fact, in connection with a case in which it was urged that the goods must be illicit, that the word "illicit" is yet to be defined. So we hear this statement constantly being made that the goods must be harmful and it has been accepted as the law.

There have been some cases in which it has been held that the goods were harmful, and that was assigned as one of the reasons for sustaining the law, but one cannot find in any case in the books where the Court has said that that was the only reason that would permit Congress to pass such a law. As a matter of fact, the Court has sustained numerous laws where the goods involved were not only not harmful but were necessary to sustain life.

Now let us see what has been done. Congress has enacted a law to prohibit the shipment from one State to another of game killed contrary to the State law. How are people in Massachusetts going to be injured who happen to eat a bird which has been illegally killed in New York? Could they tell the difference? Would their taste be so sensitive that they could distinguish between an illegally killed bird and a bird that was killed under the law? Would eating such a bird be injurious to their health? Certainly not. Harmfulness of the commodity is no necessary criterion. It is clear that, insofar as the actual transportation is concerned, there is no difference in shipping game lawfully killed and game unlawfully killed. The law can be justified only because Congress has complete control over interstate commerce. Who would claim that that bird had started in interstate commerce while it was flying through the air, and that when some man shot it down contrary to law it had entered interstate commerce? It was shot down, for instance, in the State of New York while peacefully flying in the forest by somebody who had killed more than the law says he should kill. After the bird has been shot, it is taken to a railroad train and shipped into another State. This illustration alone is sufficient to explode once and for all the fallacy either that the goods shipped must be harmful or that they cannot be regulated until they are actually started on the wheels of transportation from one State to another.

However, that is not the only case. In the case of *U.S.* v. *Hill* (248 U.S.) the question of the Reed amendment came up. Someone might say, "Well, of course, Congress has a right to regulate interstate commerce in goods that have been obtained in some way contrary to law." Well, why would it? It certainly would not if the goods must be harmful; it certainly would not if Congress cannot regulate until the goods start on their journey. Both those theories are exploded. But someone might say, "The goods are contrary to the law of the State, and therefore cannot be shipped." Let us see about that. The Supreme Court answers that in the case involving the Reed amendment, which really related to something that was contrary to the law of the State. The Supreme Court said that that fact justified action, but it would further insist it was equally clear that Congress, acting independently of the States, may enact legislation without reference to the particular policy

or law of any given State. In other words, Congress can, under its police power, prevent the shipment of liquor, if it sees fit, and the court so holds in the case referred to.

Now, let us go a little further. Bear in mind that we are going to hear before this discussion is over that the child-labor case said that the commodities were not harmful; that nobody in any other State could be hurt by buying the goods made in a given State. That is true, but they could be just as much injured by buying goods that were manufactured by child labor as they could by buying a bird that was shot contrary to law.

The Sherman antitrust law makes it a crime to form unlawful combinations within a State. The law derives its authority from the commerce clause of the Constitution, on which this bill rests. The courts will enjoin shipments of goods produced or sold by those engaged in such conspiracy, although the goods may be most useful. Congress also has the power actually to prohibit the shipment of such goods in interstate commerce. It has been expressly held that Congress can prohibit the shipment in interstate commerce of goods produced or manufactured or controlled by a monopoly. The goods may not be harmful. There might be, for instance, a monopoly on Bibles; there might be a monopoly on school books; there might be a monopoly on articles absolutely needed in other States; but still if they are produced by a conspiracy or monopoly, Congress has absolute right to keep them out of other States. The monopoly which is acting in a State is not engaged, then, in interstate commerce. Interstate commerce would not commence when they set the type to print the Bibles; interstate commerce would not begin when the printing of the Bibles was completed; interstate commerce would begin when they started the Bibles on their way to other States; and, even though the Bible should be accepted as the rule and guide of the faith of the people to whom it was sent, even though, instead of being harmful, it might be unanimously conceded that it is absolutely essential for their spiritual development and spiritual growth, if it were produced by a monopoly, Congress has the power to stop that Bible from being moved a single inch from one State into another. So let us forget the idea that has been currently circulated that, in order for Congress to have control of goods shipped in interstate commerce, they must be harmful.

Let us take another law—that is not all; I could stand here and cite them from now until night but I will just give the Senate two more. Food that is misbranded cannot be shipped in interstate commerce. It may be good food; it may be excellent food; it may be the very food that a man wants and needs; but if it has been misbranded where it was produced, it cannot be shipped in interstate commerce. It is not harmful; it also has not as yet entered the current of interstate commerce. If the people can be protected under the commerce clause from the use in interstate commerce of wholesome but misbranded food, surely their Congress can pass laws under the commerce clause to protect them from a method of production that takes away all food.

Just one other reference which I hope may be sufficient evidence to lay this ghost about the absolute necessity of showing that goods must be inherently harmful to be denied the facilities of interstate commerce.

Let us look now at another law that Congress passed. Congress has said that it is unlawful for a railroad to transport goods manufactured, mined, or produced by it, or under its control, or in which it has an interest, direct or indirect. That law has been held to be a valid exercise of the congressional power under the commerce clause in the case of *Delaware & Lackawanna Railroad* v. *U.S.* (231 U.S. 363).

What does that mean? That means that if a railroad has an indirect interest in a coal mine in the State of Pennsylvania, it is against the law to move 1 ton of that coal from Pennsylvania to any other State in the Union. That coal would burn just as well as though it had not been produced by a company in which a railroad had an interest. Nobody thinks that that coal would explode when it got into another State and destroy somebody's life because a railroad indirectly helped to produce it. It is the same kind of coal that it would be if it had been produced by somebody else.

Let those who say that under the Dagenhart or any other case the goods must be harmful to the people of the State in which they enter answer the question, What is the difference between game legally killed and game illegally killed to the man who eats it? What is the difference between coal mined by a railroad and mined by somebody else to the man who wants to keep warm? What is the difference to the man who buys goods to clothe him from the chilling blasts of winter, insofar as his health is concerned, whether those goods were produced by a monopoly or not by a monopoly? As a matter of fact, the monopoly can be controlled by the State. As a matter of fact, the State has the right, in its police power, to prevent a railroad from shipping anything that it mines or produces. What do we do here? We go back to the production, and we say that if it is produced in this way it cannot get into interstate commerce, even though it is the best thing and the most needful thing the customer desires to buy.

Mr. President, if anyone who has not been here and who has not read these cases asserts later, in the course of the argument, that the goods must be harmful in order to bring them within the power of Congress, I hope it will be remembered that these kinds of goods were not harmful and that these are but a few of the many instances which I could call to the attention of the Senate where it was held not to be necessary for them to be harmful, and where Congress can regulate even the production of the goods themselves.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. LONG. As I gather the Senator's review of those decisions, our Supreme Court has gone back to the method of the production to see whether or not it is in the public interest.

Mr. BLACK. That is correct, that is exactly what they have done. If it is not in the public interest to produce as they are producing, Congress can say, "We will not stop you from producing, we will not stop you from selling in any State, but we will take the facilities of interstate commerce away from you." We have that power.

I now desire to read to the Senate just a few of the statements which have been made to justify Congress in passing laws under the commerce clause. In the first place, I desire to have it distinctly understood that it is my belief that under the commerce clause the Congress itself has the right to determine how it will regulate that commerce. I think when the Supreme Court attempted to draw distinctions, as it has in several cases, with reference to the effect of goods here, and the effect of goods there, it transcended its judicial authority. It is my belief that with reference to interstate commerce the Congress of the United States is as supreme as Chief Justice Marshall and Justice Johnson and Justice Harlan and the other distinguished justices of this country declared it to be. But let us see some of the clauses which have been used as justifying the control of interstate commerce.

In aid of the policy of the State.

United States v. *Hill* (248 U.S. 420).

Gross misuse of interstate commerce.

The same case.

Because of its harmful results.

The same case.

Defeat of the property rights of those whose machines have been taken against their will.

The same case.

Harmful results to those of other States.

The same case.

Regulation may take the character of prohibition.

The same case.

Note this:

As a State may for the purpose of guarding its people * * *. So Congress for the purpose of guarding the people of the United States against lotteries and to protect the commerce of all the States, may pass legislation under the commerce clause.

One Hundred and Eighty-eighth United States Reports, page 321.

The next quotation is:

> The public advantage justifies the discretion.

In other words, they have gone so far in one case as to assign the authority for passing the law to the fact that the public advantage justifies the exercise of discretion. That was with reference to the Carmack amendment, and is found in Two Hundred and Nineteenth United States Reports, page 186.

In Hammer against Dagenhart the Court assigned as one of the reasons for striking down the child labor case the fact that it was purely local in its character. Another reason assigned was this:

> Not only necessary but convenient to its exercise.

They were referring these to the regulation of interstate commerce, and that is from the *Seven cases of Eckleman* v. *U.S.* (239 U.S. 510).

> Prevent their service from becoming an undue burden upon and obstruction of interstate commerce.

Tagg Brothers v. *U.S.* (280 U.S. 420).

Next:

> In cases where such interference is deemed necessary *for the protection* of commerce among the States.

Swift & Co. v. *U.S.* (196 U.S. 375).

Note this language:

> To foster, protect, control, and restrain.

Federal Employees Liability case (223 U.S. 47):

> To foster, protect, control, and restrain, necessary for the protection of commerce among the States.

When we look out over this Nation today and see 12,000,000 people out of jobs and know, at the same time, that on account of the spirit of avarice in commerce men and women are working 10, 11, 12, 13, 14, 15, and 16 hours a day, while their friends and their neighbors tramp the highways in search of work to earn a living, can it be said that commerce is not affected? Does commerce not need to be protected from practices like this? Can there be any greater burden upon interstate commerce than to take away the purchasing power of one fourth of the wage earners of this country completely and to take away partially the purchasing power of 90 percent of the remainder? Can it not be restored by adopting a sane and sensible method, which we have not yet attempted to any extent, of striking at the root of our troubles, instead of vainly continuing to worship the old idea that if you water the tree at the top the roots will take care of themselves?

No, Mr. President; commerce in this Nation cannot be protected, it cannot be fostered, it cannot be cared for until the millions of people out of work, yearning for jobs, living at the hands of charity, are given a chance to do that which industry will not voluntarily permit them to do.

We have heard a lot about the share-the-work movement. What did that mean? Wherever it has been practiced it has usually been followed by reduction in wages. That would not follow if a uniform law should be put into effect in this country. Not only that, but while they have called it a share-the-work movement and have reduced the number of working hours per week they have increased the number of working hours per day, and at the hearings on the pending bill we were told that in the silk industry they have been actually working people 16 hours a day at a 50 percent lower wage than they received in 1928. Not only that, but the secretary of the Silk Manufacturers' Association told us that he came to that committee with his hands up. He said:

> The manufacturers are helpless. Not only are they helpless, but they are hopeless. Our only chance is for Congress to use its power to save our commerce and our business from complete destruction and annihilation.

I could make the same statement with reference to others. But let us discuss the Dagenhart case, and, in the first place, let me call the Senate's attention to the way that case was decided. It was a 5-to-4 decision. I assert that, according to modern principles of humanity and justice and fairness, the minority opinion was more consonant and more consistent with progress than the majority opinion.

Justice Day wrote the majority opinion. Justice White, Justice Van Devanter, Justice Pitney, and Justice McReynolds concurred in the majority opinion. Of the justices who participated in this opinion, only Justices Van Devanter and McReynolds of the majority are still on the bench, and only Justice Brandeis of the minority. Since that decision six new justices have been appointed. They are Chief Justice Hughes and Justices Sutherland, Butler, Stone, Roberts, and Cardozo. As yet the decision to be rendered by that group is in the lap of the gods. They have not spoken, and no doctrine of stare decisis applies to opinions on constitutional interpretation.

If the opinion is wrong, it cannot and it should not stand, because we raise our hands and promise obedience to the Constitution of the United States, not to its interpretation by a majority of one at any particular period. I do not say that with any idea of disrespect.

Mr. LONG. Mr. President, if the Senator will permit me to interrupt, while this may appear to be a little out of line with what the Senator is saying, does the Senator recall that the Constitution of the United States provides that Congress shall create a Supreme Court and such other courts as it may from time to time establish? Our Constitution simply provides for the creation of the Supreme Court. It is possible for the Congress to enlarge it, diminish it, or to make itself a part of the court. The time might come in America when Congress itself would be in the same position in which the House of Parliament in England is, particularly if the Supreme Court were out of touch with what was necessary for the public at the time.

Mr. BLACK. Mr. President, I might call attention to the fact that this Court as it is now constituted, practically, in the case of *Brooks* v. *U.S.* (267 U.S. 432), has of its own volition interpreted the Dagenhart case, and no one can read the opinion in that case without reaching the belief that the Court was not wholly satisfied with the Dagenhart case.

Mr. President, let us see just a moment what would be the effect of a new opinion on this subject. I desire to call attention to the fact that applications of principles of law change with conditions. They are not inflexible. They are not unalterable. Conditions bring about the necessity for changes. Mr. Justice Bradley, in the case of *California Pacific Railroad Co.* (127 U.S. 1), said this:

> Its exertion (congressional power over highways and bridges) was but little called for, as commerce was then mostly conducted by water and many of our statemen entertained doubts as to the existence of the power to establish ways of communication by land. But since, in consequence of the expansion of the country, the multiplication of its products, and the invention of railroads and locomotion by steam, land transportation has so vastly increased, a sounder consideration of the subject has prevailed and led to the conclusion that Congress has plenary power over the whole subject.

It will be noted that I am not alone in the statement that the Supreme Court sometimes changes its opinion. They even make statements which I have not made, because here is the Supreme Court saying that, in view of changed conditions, "a sounder consideration has prevailed." What they meant by that language was that they had changed their former opinion.

Next the Supreme Court said:

> Constitutional provisions do not change, but their operation extends to new matters as the modes of business and the habits of life of the people vary with each succeeding generation.

In re *Debs* (158 U.S. 564).

Chief Justice Waite, in *Pensacola Telephone Co.* v. *Western Union Telegraph Co.* (96 U.S. 1), said this:

> The powers granted to Congress under the commerce clause of the Constitution, "Are not confined to the instrumentalities of commerce or the Postal Service known or in use when the Constitution was adopted, but they keep pace with the progress of the country and adapt themselves to the new developments of time and circumstances."

In the case of *Murphy* v. *California* (225 U.S. 623) the Court said this:

> A lottery of itself is not wrong, may be fairer, having less of overreaching in it than many of the commercial transactions that the Constitution protects * * * and at one time it was lawful. It came to be condemned by experience of its evil influence and effects. It is trite to say that circumstances of themselves may form circumstances, become the source of evil, or may have an evil tendency.

Apply that language to the fact here. Note the language:

> Circumstances of themselves may form circumstances, become the source of evil.

What are those circumstances? The circumstances are that this is built up as a trading and commercial nation; it is dependent upon trade and commerce. If trade and commerce languish, the people are in trouble. All over this Nation trade and commerce are at a low ebb. Twelve million people have lost their purchasing power. Circumstances occurred. There was a time when it was necessary to work people in the forests 15 hours a day in order to get enough lumber to build houses. That necessity does not exist now. There was a time when wool was prepared with the old-fashioned spinning wheel, taken as it came from the backs of the sheep, and it took a long time to produce a pair of socks, and it was necessary for people to work long hours. That condition does not exist now. As a matter of fact, the time has arrived when, out of circumstances of production, has grown a greater evil, the evil of unemployment, the evil of enforced idleness of 12,000,000 people, and of very little work for the remainder of the 48,000,000, and out of that evil comes the necessity for change.

The Supreme Court of New York was courageous enough to recognize the necessity for change. After 8 years they admitted in their opinion that a former opinion had been changed by conditions, so they had been informed in this case. They had originally held an hours-of-labor law unconstitutional, but now note what they say in the second appeal, 8 years thereafter, in March 1915:

> So, as it seems to me, in view of the incomplete manner in which the important question underlying this statute—the danger to women of night work in factories—was presented to us in the Williams case, we ought not to regard its decision as any bar to a consideration of the present statute in the light of all the facts and arguments now presented to us and many of which are in addition to those formerly presented, not only as a matter of mere presentation, but because they have been developed by study and investigation during the years which have intervened since the Williams decision was made. There is no reason why we should be reluctant to give effect to new and additional knowledge upon such a subject as this even if it did lead us to take a different view of such a vastly important question as that of public health or disease than formerly prevailed.

Mr. President, let us go back to the Dagenhart case a moment. That case did not affect all of interstate commerce. It affected a small portion of interstate commerce. No one complained that child labor would clog the markets. No one complained that the small amount of products of child labor would change the course and current of interstate commerce. The court said that it was plainly and manifestly a sole and single attempt to regulate the hours of labor in the State, and had no connection with interstate commerce.

But conditions today are different. This bill is not related to child labor alone. It is not referable merely to a small portion of the products that enter the stream and current of interstate commerce. It relates to every commodity, every article of goods manufactured in the name of industry; and upon its enactment depends the very life of commerce itself. Unless commerce is revived by giving employment, it will not be revived. Unless we give employment to these people so that they can go to work and earn something to buy the products of factories and mines and mills our commerce is dead, and we can pour our billions by loans into bankrupt business until we have exhausted the credit of the Treasury.

No, Mr. President; this bill relates to all of interstate commerce. It affects its life and its vitality. It is not limited as was the act involved in the Dagenhart case, where the court said it was purely local in character. This bill affects the laborers in every mill and factory in California, New York, Tennessee, and all over this Nation. It proposes to give to them a reasonable chance to earn an honest living.

I do not advert at this time to the difference between leisure and idleness, but I am calling your attention to the national aspects of this problem. Let me call your attention to the fact that it is national, and no one now can escape it.

If the problem is not national, why have we appropriated already practically $1,000,000,000 out of the people's pockets to feed the poor and the hungry and the starving?

If it is not national in its scope, how can we defend burdening industry in every part of this Nation with a billion-dollar tax to feed the people who have been thrown out of employment?

If it is not national, how can we defend at all the passage of the home loan bank bill? What defense is there for reaching down into the pockets of the people of this Nation and passing a law to save their homes all over this country, thereby affecting the internal affairs of the States?

If it is not national, what justification has there been for burdening commerce and trade by loaning millions and hundreds of millions of dollars to the farmers over this country in order that they might buy the products of factories and mines?

If it is not national in its scope, what man can stand up and defend the appropriation of $4,000,000,000, which must come out of the pockets of the taxpayers of this country engaged in industry in every State of this Nation, and employing that money for the purpose of trying to give work in order that commerce may be revived and may not perish from America?

No! It is too late to say this problem is not national. The principle of local control cannot be applied to this law. It does not affect merely a few children working in a factory in Pennsylvania. It is not limited to a few individuals working in a mine somewhere in the coal regions of this Nation. It reaches out into every section of this Nation where we have put the hands of the taxgatherer in order to sustain commerce; and we propose to do it in a sane and sensible method, and in line with the just principles of humanity which should govern this enlightened country of ours today.

Mr. President, this problem relates to all of interstate commerce.

Not only is this problem ours, but I placed in the CONGRESSIONAL RECORD of March 27, at page 874, a statement showing that this problem is being met all over the country. What have they been doing? Read that statement and you will see. They have been reducing the hours of labor. Have they been doing it voluntarily? No; not to any great extent. The spirit of avarice in commerce will not do it. Humanitarian manufacturers came before our committee with tears in their eyes and stated that they were helpless to compete with those who were using sweatshop methods in these days of enlightenment and progress, and they were compelled to work their people long hours in order to meet competition and give any employment whatever. If you will read this statement, you will also see that the countries of the world have been meeting the problem by laws. They have been meeting it by municipal laws, by State laws, and by Federal statutes.

But what position are we in today? There is only one possible way in which we can reach this subject. We have tried out the voluntary method of reducing hours. I noted in Sunday's paper that since the Senate Judiciary Committee reported this bill the Chamber of Commerce of the United States, with its usual rapidity of action, in order to raise human beings to a higher standard and to alleviate human suffering, has at last discovered that the hours of labor ought to be reduced, and has passed a resolution saying that it will try to bring about a voluntary reduction of the hours of labor. Naturally, it opposes a reduction by law.

No, Mr. President; that time is past. The past President of the United States attempted, with the influence of his

high office, to bring about voluntary action throughout this country. He met with signal failure. Not only did the industries not reduce the hours of labor, but where they did divide the work they cut salaries and wages to the bone. Not only did they do that, but where they cut off employees for a few weeks, where they reduced the hours of work per week, they increased the hours of work per day. Now, at this very time, with more than 12,000,000 people helpless and hopeless in the grip of unemployment, starvation, hunger, misery, and want, we find people in every State of this Nation, men and women, sitting there with the constant whir of machinery dinning into their ears, working from 10 to 16 hours a day in order to earn a mere pittance to keep themselves from starving to death.

Do you tell me that this problem is not national? Do you tell me that the time has not come for bold and courageous action if we are to meet it?

"Oh," they say, "you will breed idleness." No; we do not breed idleness. Throughout all the years the excuse for machinery has been that it would relieve human beings from the drudgery and slavery of long hours of constant toil. That relief has been promised them since the advent of the machine. The time has come now when with the use of machinery and efficiency we can produce with a 30-hour week more than we can sell at home and abroad.

What do we find? We find that instead of the advantages of improved machinery going to consumers and the men who work, it has gone to increase the tolls of those who own the plants; and they have built them and overbuilt them until they find themselves crucified on their cross of greed and unable to sell their product because they have robbed the laborer of the ability to purchase.

Mr. President, they tell us that this proposal will breed idleness. Well, what is the difference? Are not 12,000,000 wholly idle today? Are they not idle without hope? Do they not have despair in their hearts and fear that those whom they love will not be able to live because of the lack of food? Have we not taken away from them the security that comes from honest work and honest toil and an honest job? And are we not at the same time destroying our unemployed people by permitting others to work long hours and depriving them of the legitimate opportunities of leisure which should be theirs?

I do not subscribe to this doctrine, this propaganda which has been industriously circulated mainly by the writings of people who were never compelled to listen to the whir of machinery 12 or 13 hours a day, who never went down into the recesses of the earth to dig coal, but who have talked about the "exaltation" of constant, laborious drudgery. I have never heard, in that beautiful story that appears in Holy Writ, that anybody was excluded from the Garden of Eden because of the fact that work was a blessing and not a curse.

I welcome the coming of earned leisure to people when I think of the minds dwarfed by constant toil, when I think of the intellects that perhaps might have soared to great heights in the thought and genius of this Nation that have been deprived of their opportunity by reason of the fact that they must sit and listen to the grinding whir of machinery hour after hour until their energy is sapped, their life practically is taken, and the very blood is drained from their faces. I think, what may we have lost in some of those people?

I think of that man who strolled around in a little country churchyard in England. He could have strolled in a million more all over this Nation where machinery has taken its toll of life; and he could have said, in each one:

> Some mute inglorious Milton here may rest,
> Some Cromwell guiltless of his country's blood.

I do not anticipate leisure with any apprehension or any horror. I welcome it. I am glad that the day has come when, in our land that we love, we can, if we are bold enough and courageous enough, give to the men who toil that which is theirs—the benefit of that leisure which comes from machinery and efficiency. Where should it go? Where is it going today? It is not going to the 12,000,000 men who are unemployed. It is not even going to the people who are working 16 hours a day. No, Mr. President; the avarice and greed of commerce has seen to that. Now that their spokesmen see the time coming when there is an enlightened public sentiment all over this land, manifested in the Senate, manifested in the House, manifested in the White House, manifested in the Supreme Court—when they see that the time is ripe for recognizing the fact that people, human beings, are the things that need to be protected in this country—no wonder they come forward at this late hour and say, "If you will just let us alone, we will reduce the hours of labor."

Mr. President, I am not willing to depend upon them now. They come too late. Quick action is imperative. I introduced this bill in the belief that, if passed, it will mark a milestone in the way of human progress. I believe it will immediately put millions to work. I hope that it may be passed, and may establish throughout this country a normal working day of 6 hours. If we can produce what we need in that time, why work any more? Do people love laborious work so much? Those who have written about the great glories of tiring and wearisome labor have usually done so from a safe place occupied by them where they knew they would never be dependent upon their hands to earn their daily bread.

Mr. President, I speak here today for the 12,000,000 who have lost their jobs. I speak for 25,000,000 more who have partially lost their jobs. I speak for the whole 48,000,000 who are walking the streets today not knowing whether they will have a job tomorrow or not. I speak for the unorganized millions who must support the unemployed with billions of taxes. And then you tell me that Congress, which has the right to regulate interstate commerce, has no power to say that these poisoned goods shall not infest the currents and streams of interstate commerce, destroying the commerce itself, sapping the lifeblood of the individuals and the Nation! You tell me that Congress is here with hands held out impotently, saying, "We would like to do this, but the Constitution is in the way"!

That Constitution was never written to be an obstacle to human progress. It has never been so held. It is expansive; it is elastic to meet conditions as they are. I do not believe that that great document, which was written in order to protect human liberty and human government, can be safely interposed in order to block this great forward movement upon which America is bound to embark.

My friends, in conclusion let me say this:

I do not know what your action will be with reference to this bill; but mark my words: All over this Nation the people are watching Congress, and the people know that they have not been getting a square deal. Up in that little town in New Jersey that was testified about, where 40 per cent of the people are working, some of them 16 hours per day, as these jobless people see the overwork forced upon the others we cannot take out of their minds the fact that there is something wrong. We cannot sit here and continue to pour out the money and credit of the United States to sustain failing business enterprises and at the same time ignore the men and women upon whom the safety of this Republic depends. When enough of them are out of jobs, and when enough of them lose hope, when they see legislation fail to pass that they know would relieve conditions, do not be deceived. The people are the same in every age and in every country—patient, long-suffering, kind, you may say—but the kindness is taken out of the human heart when its owner sees the factory working 12, 13, 14, 15, 16 hours a day, with underpaid labor, as the unemployed hold out their hands in distress in order to get the very necessities of life for themselves and their children.

I present this bill as a real step forward on the part of the people of this country. It is not a complete remedy for existing conditions. We shall have to go farther, and we might just as well recognize the fact. I would have passed with it, if I could, a provision for unemployment insurance to prevent the repetition in the future of any such terrible condition as exists in this Nation. I would provide that

every soldier of industry, every man who has toiled upon the farm, and who has reached years where no longer are his hands nimble and his body active, should have a reserve built up so that he could spend his remaining years in security and peace and comfort. To these measures we must go. This is but one step along the pathway of progress. Thank God, there have sounded from that Chamber down the hall some notes that indicate that the Constitution of the United States will no longer block the way of progress in human happiness, but it shall be utilized not as an obstacle, but as a stepping-stone to carry human beings to higher planes of happiness and peace and security.

I present this bill, Mr. President, with the firm belief that it will put millions of people to work; that in no other way are we going to put them to work; that if we do not put them to work, and unemployment continues, we had better beware.

I present it because I love the sacred traditions of this country, because I love its Government, and because I want it to live. But does that country deserve to live which is not willing to march forward in order to see that human suffering does not come without fault on the part of the individual, and which is not willing to wipe out, as nearly as it can, the inequalities that have sprung up by reason of the avarice of commerce and trade?

I present this bill in the firm conviction that it will meet the approval of this body and will meet the approval of the Supreme Court, and will meet the approval of America.

Mr. ROBINSON of Arkansas obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Arkansas permit me to submit an amendment to the pending bill, with just a very brief statement?

Mr. ROBINSON of Arkansas. Very well, I yield.

Mr. VANDENBERG. Mr. President, I find myself in complete harmony with the general philosophy of action suggested by the able Senator from Alabama [Mr. BLACK]; but I think we shall find certain situations in which there would be a definite loss of advantage under the application of the rule which he has so ably submitted to the Senate. I am thinking particularly of the treatment of perishable commodities. I am thinking, for instance, particularly of the fruit canneries in my own State of Michigan, representing a tremendous institution and activity. I am thinking that, on the basis of the available evidence, it would be impossible to can the perishable fruits of northern Michigan on the basis of the undiluted formula which the Senator has submitted. On the other hand, I realize that the moment it is undertaken to write exemptions or exceptions we may have drawn the teeth of the measure, and I assure the Senator I have no interest in that objective. I ask him whether he would think there was any serious menace in adding as section 4 an amendment to read as follows:

SEC. 4. In case of seasonal or other extraordinary need in respect to any perishable commodity described in section 1, the Secretary of Labor may issue an exemption permit which shall relieve the commodity from the provisions of this act.

Would the Senator feel that that was in conflict with the purpose which he has undertaken to present?

Mr. BLACK. Mr. President, it is my judgment that there are probably some enterprises for which it would be impossible to procure labor on the basis proposed by the bill. If an enterprise can establish the fact that it cannot secure the labor, I can see no reason why the Secretary of Labor should not be vested with such power as the Senator suggests. I would not be willing, however, to consent to an amendment which carried with it the idea that merely because production might cost a little more an exemption should be granted. I think the Senator will see the idea I have in mind.

Mr. VANDENBERG. I do.

Mr. BLACK. I may call the Senator's attention in this connection to the fact that a witness, who was in the business of manufacturing clothing, who takes the wool from the back of a sheep and carries it into the finished garment, figured out for the Senate committee that there would be an increased cost of only $1.68 per suit of clothes in his factory if this proposed law should go into effect. I am of the opinion that the canneries that can secure the labor on this basis should secure it in that way; but if, on the contrary, there is a business which by reason of its seasonal activities is unable within the short period of time in which it can work to secure such labor, then, in my judgment, it would be a case that would justify elasticity in the operation of the rule.

Mr. VANDENBERG. I thank the Senator for his statement, and I think our objectives are in entire harmony. I would not want any exemptions available for factories for purely selfish reasons. On the other hand, I know the Senator would not want to write a rule which would make it impossible to handle the perishable crops which frequently are presented at Michigan canneries and which have to be canned on the very day they are delivered at the canneries and which cannot be held even overnight, because they are brought to the cannery in the precise degree of ripeness to be handled. I have much testimony to prove that these canneries, which in most instances are located in small communities, would not have either the labor, in the first instance, sufficient to go on a rotation of shifts, or, if the labor were imported for the purpose of rotating shifts, there would not be housing accommodations for the brief period in which the operation must be concentrated. I am sure we could agree upon the necessary wording of a final emergency section which would accomplish what I want to accomplish, and would, in no sense, invade the protection which the Senator seeks to provide. May I ask unanimous consent to submit a proposed amendment to the bill, and ask that it be printed and lie on the table, and also that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment read by the Senator from Michigan will be received, printed, and lie on the table.

Mr. ROBINSON of Arkansas. Mr. President, the modification which I understand the Senator from Michigan to propose would not materially impair the effectiveness of the general principle running through the bill. The object of the bill, of course, is to spread employment; it is to take up the slack in unemployment, due in large part to the introduction during the last few years of greatly improved machinery displacing large numbers of hand laborers and contributing to a condition which everyone recognizes and should be anxious to remedy.

Mr. VANDENBERG. The Senator has stated my view precisely, and it is wholly in that spirit that I am submitting the amendment. It seems to me it could be said with equal truth that it would be a travesty for us to be proceeding upon a program of farm relief at this moment and at the same time, perhaps, make it impossible for this large sector of agriculture to operate effectually.

Mr. BLACK. Might I suggest to the Senator that the Senator from Washington [Mr. DILL] has offered an amendment along the same line. I would also suggest that the Senator from Michigan confer with the Senator from Washington in connection with the entire matter.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 3342) to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mrs. NORTON, Mr. PALMISANO, Mr. BLACK, Mr. STALKER, and Mr. WHITLEY were appointed managers on the part of the House at the conference.

REVENUE FROM BEVERAGES IN THE DISTRICT

The PRESIDING OFFICER (Mr. GEORGE in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H.R. 3342) to provide revenue for the District of Columbia by the taxation of beverages, and for other pur-

poses, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KING. I move that the Senate insist upon its amendment, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. LEWIS, and Mr. CAREY conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER laid before the Senate sundry messages from the President of the United States transmitting nominations, which were referred to the appropriate committees and which appear at the end of today's Senate proceedings.

The PRESIDING OFFICER also laid before the Senate a message from the President of the United States transmitting a treaty, which was referred to the Committee on Foreign Relations and ordered to be printed in confidence for the use of the Senate.

ASSISTANT SECRETARY OF WAR

The PRESIDING OFFICER. Reports of committees are in order.

Mr. ROBINSON of Arkansas. At the request of the Chairman of the Committee on Military Affairs, I report favorably from that committee the nomination of Harry H. Woodring, of Kansas, to be Assistant Secretary of War.

REPORT OF NAVAL NOMINATIONS

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably sundry naval nominations, which were ordered placed on the Executive Calendar.

THE CALENDAR

The PRESIDING OFFICER. If there be no further reports of committees, the calendar is in order.

Mr. ROBINSON of Arkansas. Mr. President, I received a request a few moments ago that action be deferred with respect to the first nomination on the calendar. I therefore ask that the nomination go over for the day.

The PRESIDING OFFICER. Without objection, the nomination, no. 5 on the Executive Calendar, will go over.

TRANSFERS IN THE REGULAR ARMY

The Chief Clerk read the nomination of Neal Dow Frankline, transferred to the Judge Advocate General's Department.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Lt. Col. Hugo Ernest Pitz, transferred to the Quartermaster Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Capt. Roy Crawford Moore, transferred to the Quartermaster Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Capt. Andrew Daniel Hopping, transferred to the Quartermaster Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of First Lt. Ira Kenneth Evans, transferred to the Quartermaster Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Second Lt. Herbert Charles Gibner, Jr., transferred to the Air Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Second Lt. Merrick Hector Truly, transferred to the Air Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PROMOTIONS IN THE REGULAR ARMY

The Chief Clerk read the nomination of Cleveland Rex Steward to be captain, Medical Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Alva Jennings Brasted to be chaplain with the rank of lieutenant colonel.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William Andrew Aiken to be chaplain with the rank of lieutenant colonel.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ernest Wetherill Wood to be chaplain with the rank of lieutenant colonel.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Herbert Adron Rinard to be chaplain with the rank of major.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

OFFICERS' RESERVE CORPS

The Chief Clerk read the nomination of George Henderson Wark to be brigadier general, Officers' Reserve Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed. That completes the calendar, and, without objection, the President will be notified of the confirmations.

The Senate resumed legislative business.

ECONOMY IN GOVERNMENT—ADDRESS BY SENATOR M'KELLAR

Mr. BACHMAN. Mr. President, my colleague [Mr. MCKELLAR] delivered an address over the radio last Saturday night on economy in government, and I ask unanimous consent that it may be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the radio audience, I have been asked to talk to you about economy in government, and I am very happy to do so.

During the period of 13 years from 1919 to 1932 our Federal Government was perhaps the most extravagant government that ever existed among men. The war, no doubt, had taught us to be more extravagant than ever before; but for some 10 of the 13 years after the war the country was unusually prosperous on the surface, there was an orgy of speculation and high prices, and it was accordingly easy to raise taxes, and the National Government's expenditures increased by leaps and bounds. Up to the World War our national expenditures had never reached a billion dollars per year. For the 10 years after the war the entire expense reached the enormous average figure of over five billions a year, and just running expenses, exclusive of interest paid on the national debt, and all sums paid to veterans, exceeded the vast sum of $3,000,000,000 per year.

There was never such an orgy of speculation, dishonesty, corruption, frenzied finance, fictitious values, fraudulent stocks and bonds, dishonest trade and commerce transactions as during the period of 10 years following 1920, and all these conditions and practices were reflected in our Government and its expenditures; and it became a highly artistic accomplishment and a more or less honorable distinction for many of those in high official positions to steal from our Government. Those who stole without getting caught were highly distinguished, and those who got caught did not receive so much distinction. Some of these enormous sums of money raised by taxation were spent for governmental purposes, but a very large portion of it was spent in every conceivable form of graft known among corruptionists.

During that period some $4,000,000,000 was spent on what everybody has come to know as "legalized graft" and which is commonly called "tax refunds." Of course, when an honest mistake is made by the Government, taxes ought to be refunded; but it is silly and ridiculous to say that from 1920 to 1932, inclusive, in the collection of our taxes in a period of 12 years $4,183,138,817.39 of mistakes were made in the collection of taxes! Only 11 millions in refunds was made in the first 3 years after the passage of the act, and then the grafters found out and used to the limit its possibilities, and money on this account flowed more freely from the Treasury than water flows over Niagara. This more than $4,000,000,000 in taxes, largely paid in by war profiteers during the war, was refunded, mostly to the so-called "great, greedy,

and grasping individuals, partnerships, and corporatiions " which, in the orgy of dishonesty and corruption, were the favorites of the Government in that period. For the most part, it was paid out by subordinate employees of the Treasury secretly, and the high officials of the Treasury professed not to know how or why it had been paid out. Some of us fought this more or less legalized graft for more than 10 years, and during that fight we cut out a great deal of it. I sincerely hope we can soon get rid of all of it.

It was during this period that the oil pirates, led by Doheny and Sinclair, despoiled the Government of hundreds of millions of dollars. It was during this period that officials of the Veterans' Bureau despoiled the Government, and also the veterans, of the funds due the veterans. It was during this period that those in charge of the property of foreigners taken over by the Government during the war became dishonest and corrupt. It was during this period that subsidies to the great shipping interests and the airways interests were put through, and which still continue to take from the people their taxes by scores of millions. Legalized grafting became one of the most successful and important of businesses, and everyone apparently who could obtain these vast gratuities from the Government, whether entitled to them or not, was seeking thus to mulct his own Government.

For years some of us have been fighting against these corrupt practices and these frightful expenditures of our National Government. During the prosperous years we got some petty reductions. However, more than a year ago we secured in the Senate the passage of a resolution establishing the Economy Committee, and the reductions in governmental expenditures which took place prior to March 4, 1933, were to a very great extent, directly or indirectly due to the work of this committee. In 1931 we secured a reductiion in expenditures of $334,000,000 under the sums recommended by Mr. Hoover for that year. The next year the Economy Committee was continued, and this committee secured reductions in the Senate of about $285,000,000 under the sums recommended by Mr. Hoover. I regret to say that when this saving got into conference, a majority of the House conferees and a majority of the Senate conferees got together and over the strongest fight that it was possible for the majority of our Senate Economy Committee to make there was cut out of the bill some $210,000,000 of these savings. We did save, however, this last year, about $75,000,000 under Mr. Hoover's Budget recommendations.

So that even prior to March 4, 1933, we cut down the running expenses of the Government some $409,000,000. Prior to adjournment on March 4, 1933, the Congress passed a bill giving to the President the right to abolish bureaus, to combine and consolidate bureaus, commissions, and other instrumentalities of government. President Roosevelt has already vigorously begun the administration of this authority, and it is believed that under this bill there will be a saving by the President of $200,000,000.

Since the new session has begun we have passed another bill, known as the emergency economy bill, giving to President Roosevelt the right to cut down salaries (and Congressmen's and Senators' salaries were included in the bill), to reduce compensations to soldiers of all wars, and providing for numerous other economies; and there will probably be saved under this bill some $400,000,000 more. So that it can be safely said that under the savings of $409,000,000 before March 4, and the savings to be practiced by President Roosevelt under special acts of Congress since March 4 of some $600,000,000, the running expenses of our Government by the end of the present fiscal year will be reduced by more than a billion dollars. This is an enormous saving, and I believe it will meet the approval of the American people.

In closing let me say this for President Roosevelt: When he came in on March 4, the doors of nearly every bank in the country were closed, and, of course, had these banks remained closed the doors of nearly every business house would have soon closed. Our National Treasury was empty. There was more than a $5,000,000,000 deficit of the last 3 years staring him in the face. Expenditures were exceeding income by more than $200,000,000 a month. Confidence in the financial stability of our Government was gone. Investors looked askance at Government paper. Never in our history were the Government's finances in such a fearful plight. The task of the new President seemed almost impossible of fulfillment.

But in less than 4 weeks President Roosevelt has taken such vigorous and active steps for the rehabilitation of our country, and its institutions, and its business, that almost a financial miracle has been wrought. He has opened the greater number of our banks. Business houses are going along largely as usual. Confidence in the Government and the Government's finances has been restored. Relief work has been done, and, in my judgment, we have passed the worst of the financial crisis. I devoutly hope so. The country has indeed secured a leader, and if he is privileged to continue this leadership, before a great while I expect to see our country restored to where honest men and honest women may again have work, and may again secure a reasonable return for that work; where dishonest and corrupt practices may be excluded from our Government; where fake bond issues and stock issues will be no more; where dishonesty and corruption are frowned upon; where legalized and all other forms of grafting will be no longer tolerated; and where true economy of Government will restore to all our people happiness and prosperity.

No President ever came into office at such a trying time, and no President has ever accomplished one tenth as much in so short a time as has Franklin Roosevelt. He deserves and I believe he is receiving the support of the country.

RECESS

Mr. ROBINSON of Arkansas. If there is no further business to be transacted, I move the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 20 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, April 4, 1933, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 3 (legislative day of Mar. 13), 1933

ASSISTANT SECRETARY OF STATE

Sumner Welles, of Maryland, to be an Assistant Secretary of State.

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Claude G. Bowers, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

UNITED STATES CIRCUIT JUDGE

Joseph W. Woodrough, of Nebraska, to be United States circuit judge, eighth circuit, to succeed Arba S. Van Valkenburgh, retired.

COLLECTOR OF CUSTOMS

Harry M. Durning, of New York, to be collector of customs for customs collection district no. 10, with headquarters at New York, N.Y., in place of Philip Elting, resigned.

PUBLIC HEALTH SERVICE

The following-named surgeons to be senior surgeons in the Public Health Service, to rank as such from the dates set opposite their names:

Alvin R. Sweeney, March 7, 1933.

Harry F. White, March 12, 1933.

These officers have passed the examination required by law and the regulations of the Service.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

First Lt. Robert Francis Carter, Infantry (detailed in Quartermaster Corps, with rank from Nov. 16, 1923.

PROMOTIONS IN THE REGULAR ARMY

To be lieutenant colonel

Maj. John Thomas Harris, Quartermaster Corps, from March 19, 1933.

To be majors

Capt. Paul Hancock Brown, Infantry, from March 19, 1933.

Capt. William Stuart Eley, Infantry, from March 20, 1933.

Capt. Joseph Pescia Sullivan, Quartermaster Corps, from March 20, 1933.

To be captains

First Lt. Irving Compton, Infantry, from March 19, 1933.

First Lt. Rudolph William Broedlow, Infantry, from March 20, 1933.

First Lt. Albert Edmund Rothermich, Infantry, from March 20, 1933.

To be first lieutenants

Second Lt. Jeremiah Paul Holland, Field Artillery, from March 19, 1933.

Second Lt. John Mills Sterling, Air Corps, from March 20, 1933.

Second Lt. Edward James Francis Glavin, Infantry, from March 20, 1933, subject to examination required by law.

Second Lt. Mark Kincaid Lewis, Jr., Air Corps, from March 20, 1933.

MEDICAL CORPS

To be captains

First Lt. William A. Dains Woolgar, Medical Corps, from March 19, 1933.

First Lt. Joseph Steinberg, Medical Corps, from March 19, 1933.

First Lt. Karl Rosenius Lundeberg, Medical Corps, from March 19, 1933.

First Lt. Arthur Herman Corliss, Medical Corps, from March 19, 1933.

First Lt. Jonathan Milton Rigdon, Medical Corps, from March 19, 1933.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 3 (legislative day of Mar. 13), 1933

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Neal Dow Franklin.

TO QUARTERMASTER CORPS

Lt. Col. Hugo Ernest Pitz.
Capt. Roy Crawford Moore.
Capt. Andrew Daniel Hopping.
First Lt. Ira Kenneth Evans.

TO AIR CORPS

Second Lt. Herbert Charles Gibner, Jr.
Second Lt. Merrick Hector Truly.

PROMOTIONS IN THE REGULAR ARMY

Cleveland Rex Steward to be captain, Medical Corps.

Alva Jennings Brasted to be chaplain with the rank of lieutenant colonel.

William Andrew Aiken to be chaplain with the rank of lieutenant colonel.

Ernest Wetherill Wood to be chaplain with the rank of lieutenant colonel.

Herbert Adron Rinard to be chaplain with the rank of major.

APPOINTMENT IN THE OFFICERS' RESERVE CORPS

GENERAL OFFICER

To be brigadier general

George Henderson Wark to be brigadier general, reserve, Kansas National Guard.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 3, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, offered the following prayer:

Eternal God, Thou hast taught us to pray. It invests our souls with a horizon wide as the universe and endows us with a heritage as enduring as time. Heavenly Father, we thank Thee that it bears witness that we are Thy children, for Thou wilt surely hear when we pray and bless us with Thy companionship through endless ages. Search our consciences, O God. Make visible to our eyes the divine light. May we be caught up in the service of humanity. O may the lamp of universal brotherhood be relighted and save the world from the conflicting tumult of suffering and intolerance. We pray that they may never stain our flag or the history of the Republic. Let us hear the voice of the divine herald, "Peace on earth, good will toward men." Bless our country; it is very grand, yet very sacred, because it is the gift of a good God. We thank Thee for it. Amen.

The Journal of the proceedings of Thursday, March 30, 1933, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

On March 30, 1933:

H.J. Res. 121. Joint resolution to provide for the acceptance of sums donated for the construction of a swimming-exercise tank for the use of the President.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 812. An act to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3342. An act to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House to the bill (S. 598) entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes."

THE WAGNER BILL—PRIVILEGES OF THE HOUSE

Mr. SNELL. Mr. Speaker, when would be the proper time to make the point of order relative to the right of the Senate to originate a bill such as the one just reported over, Senate 812, to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes?

The SPEAKER. The Chair thinks the gentleman may make his point of order at this time.

Mr. SNELL. Then, Mr. Speaker, I make the point of order that under article I, section 7, clause 1, of the Constitution, all bills for raising revenue must originate in the House of Representatives. The provision on page 2, line 17, of the bill referred to authorizes the issuance of $500,000,000 of bonds, and that comes under the matter of raising revenue, and, if it does pertain in any way to the revenues of the Government, it should originate in the House of Representatives, or, if there is a question of reasonable doubt, it should be resolved in favor of the House, and then there can be no doubt about the constitutionality of the law. It is further stated in several places in the bill that funds so provided are appropriated for such and such purposes.

The SPEAKER. The Chair thinks it involves the prerogatives of the House.

Mr. BANKHEAD. Mr. Speaker, to say the least I think the point of order is premature.

Mr. SNELL. But I asked the Speaker when the proper time was to raise the point of order and the Speaker intimated at the present time, as I understood him.

Mr. BANKHEAD. I beg the gentleman's pardon; I did not hear that.

The SPEAKER. The gentleman refers to the so-called "Wagner bill"?

Mr. SNELL. Yes; S. 812.

Mr. BYRNS. Mr. Speaker, in line with what the gentleman from Alabama [Mr. BANKHEAD] has said, would not the proper time to consider this matter be after the bill has been reported and brought up for consideration on the floor?

Mr. SNELL. Mr. Speaker, I directed the inquiry to the Chair, and as I understood the Speaker, I was to bring the matter up at the present time. I am willing to let the matter go over until a later date if the gentleman from Tennessee

so desires, but I do not want to lose any of my rights in the matter, for I think it is very important as far as the prerogatives of the House are concerned.

The SPEAKER. The Chair thinks the gentleman may bring it up at the proper time by resolution.

Mr. TREADWAY. Mr. Speaker, I have such a resolution, if this is the proper time to offer it.

The SPEAKER. Does the gentleman raise the question of the privileges of the House?

Mr. TREADWAY. Mr. Speaker, I rise to a question of the privileges of the House and offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 91

Resolved, That Senate 812, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States, and is an infringement of the privileges of this House, and that the said bill be respectfully returned to the Senate with a message communicating this resolution.

Mr. BYRNS. Mr. Speaker, I make the point of order that that resolution is not privileged.

Mr. SNELL. O Mr. Speaker, there is no question about the privilege of the resolution, for it affects the rights of the House itself and is of the highest privilege.

Mr. BYRNS. It seems to me that it ought to go to a committee for consideration, and not be taken up on the floor of the House without previous notice.

Mr. TREADWAY. Is not a matter of consideration a question of the highest privilege?

The SPEAKER. The Chair thinks the resolution presents a question of privilege of the House and may be considered at this time. The point of order is overruled.

Mr. TREADWAY. Mr. Speaker, in connection with the resolution I call the Speaker's attention to two similar instances. I call the Chair's attention to a precedent in the Seventieth Congress, when Resolution No. 92 was returned to the Senate with a resolution in similar form to the one I have just presented. It affected the classification of certain grades of rice at a higher rate of duty than that held to be the rate under existing law.

The other precedent to which I call the attention of the Chair also was in the Seventieth Congress, referring to Senate bill 789. That bill proposed to exempt from income tax for a period of 10 years the profits derived from shipping, if said profits were put back into American shipping. This case appears in the CONGRESSIONAL RECORD of February 7 or February 8, 1928. It seems to me that these two precedents are directly in line with the question now raised of consideration of this measure. No matter how the language may be camouflaged, under it there will be a direct charge, as everyone knows, of $500,000,000 against the Treasury of the United States.

Mr. BYRNS. Mr. Speaker, it occurs to me that a matter of this importance, brought up here without previous notice to any Member of the House, ought to be given more consideration than is now proposed. As a substitute, I move that the resolution be referred to the Committee on Ways and Means. The gentleman from Massachusetts is a member of that committee, and I assume he will have no objection to that.

Mr. SNELL. I have no objection if the gentleman wants this resolution put over, but I object to referring a privileged resolution of this character to any committee. If the gentleman from Tennessee [Mr. BYRNS] desires to have the resolution lay over, there is no desire on this side to press it. I simply want to protect the rights of the House of Representatives. I presume the gentleman from Tennessee is just as eager to do that as I am.

Mr. BYRNS. Undoubtedly.

Mr. SNELL. If the gentleman desires to have this lay over, I am willing to agree to that, but I am not willing to have a motion made to refer it to the Committee on Ways and Means.

Mr. BYRNS. Some of us have not had an opportunity to examine the bill closely in the light of the gentleman's objection. I have read the bill and it occurred to me that it was not a revenue bill, but I do not have the bill before me.

Mr. SNELL. Suppose we let the resolution lie on the Speaker's desk and take it up tomorrow. There is no desire on our part to press it.

Mr. BYRNS. That is satisfactory.

Mr. SNELL. The only thing is we want to be sure we are not yielding any rights of the House of Representatives.

Mr. BYRNS. Meantime, what will become of the bill? Will it be referred to a committee or will it lie on the Speaker's desk?

The SPEAKER. It will not be referred until the resolution is disposed of.

Mr. SNELL. It will be agreeable to us to let the resolution lie on the Speaker's desk and take it up tomorrow.

The SPEAKER. Without objection, the consideration of the resolution will go over until tomorrow.

There was no objection.

ELECTION OF MEMBERS OF COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 92

Resolved, That the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Mines and Mining: WALTER NESBIT, Illinois.

World War Veterans' Legislation: KATHRYN O'LOUGHLIN MCCARTHY, Kansas.

The resolution was agreed to.

QUESTION OF PERSONAL PRIVILEGE

Mr. BLANTON. Mr. Speaker, I rise to a question of personal privilege. On last Thursday there was a very strong speech for the medicinal liquor bill made by our good friend from Pennsylvania, Mr. PATRICK J. BOLAND. From his wet standpoint it was a splendid speech, but it was printed under my name by the Government Printing Office. [Laughter.] The following are his remarks, not mine:

The purpose of this bill is to accomplish three things:

First. Repeal the limitation on the number of prescriptions that may be issued during any certain period of time by any one physician.

Second. Repeal the restrictions on the method of writing prescriptions for liquors of all kinds so that a physician may write a prescription for liquor the same as he would write any other prescription.

Third. Repeal the limitation on the quantity of liquor of any kind that may be prescribed so that the sound discretion of the physician may be exercised in fixing the amount of liquor needed.

Surely a physician should not be restricted in using his best judgment as to whether a certain amount of liquor should be prescribed or not. Allow me to state that the doctors in Pennsylvania are among the highest type gentlemen that we can boast of, and I rather feel that we can trust our physicians to prescribe what they think is useful; and, personally, I am in favor of whatever they would recommend.

It has always seemed arbitrary to me to limit the physicians to a certain amount of permits in a certain number of days, and if additional permits were necessary they would have to have the support of the health authorities stating that an epidemic was prevalent. It is plain to be seen that in the case of an emergency the physician might be without prescription blanks for some time before he could get an additional supply.

How embarrassing it must be to the profession to have a doctor go to see a patient whom he can relieve through a certain prescription and for whom he is restricted from prescribing the remedy. I believe today that Congress will relieve this arbitrary condition by passing this much-needed legislation, and I feel very much honored in having some little part in the passing of it.

You will find the above remarks of our friend Mr. BOLAND under my name in column 1 on page 1053 of last Thursday's RECORD. I had interrupted him in the following colloquy:

Mr. BLANTON. Will the gentleman yield?

Mr. BOLAND. Yes.

Mr. BLANTON. Outside of the cities of Pittsburgh and Philadelphia, is it not a fact that the great Keystone State of Pennsylvania is dry?

Mr. BOLAND. No.

Mr. BLANTON. I mean outside of these two cities.

Mr. BOLAND. No; I will not concede that at all, because the district I represent is the Lackawanna district, and I came down here with all the nominations on two occasions and the only advertisement I had was that I would vote to repeal the eighteenth amendment.

Mr. BLANTON. That was due to the gentleman's personal popularity, and was in spite of his views on this question. The genial disposition of our good friend is so magnetic that naturally all of his constituents like him and are willing to overlook his stand on a few questions.

Then followed under his name plainly typewritten "BOLAND" on the succeeding page of manuscript the seven paragraphs of his speech attributed to me, quoted above; but when the manuscript reached the Government Printing Office Mr. BOLAND's name was marked through with a pencil, though still plainly discernible, and his above-quoted remarks were printed under my name as if they were my own remarks.

My unalterable position against intoxicating liquor, against repeal, against beer, and against removing present restrictions from medicinal whisky are so well known this error on the part of the Government Printing Office has placed me in an inconsistent attitude from one side of the United States to the other. There are over 35,000 copies of the daily CONGRESSIONAL RECORD that are daily sent to and distributed in the 48 States of this Nation. I am receiving already communications from people living in near-by States expressing surprise and wanting to know what caused me to change my position. I do not want to be placed in that attitude, and therefore I ask recognition under the question of personal privilege.

The SPEAKER. The gentleman is recognized.

Mr. BLANTON. Mr. Speaker, no one in this House has a higher regard for my good friend from Pennsylvania, Mr. PATRICK J. BOLAND, than I. I think a great deal of him as a friend and as a colleague. From his standpoint on this question, the speech he made was a good, strong wet speech. From the wet standpoint not a flaw could be picked in it by Brother O'CONNOR or Brother BOYLAN or Brother SABATH or Brother CULLEN or any of the other brothers. It is perfect, but to be placed by the Government Printing Office under my name, when I have taken a dry stand here for 16 years in this Congress, it was a great injustice.

Now, there is no excuse in the world for an error of that kind occurring. I have gotten the official manuscript from the Printing Office, and it proves this error conclusively. Here is the official manuscript of Mr. BOLAND's speech. He yielded to me for the observations already quoted. The next page has at the beginning "PATRICK J. BOLAND, continuation of speech", plainly typewritten at the top of it, and there is a little pale pencil mark drawn through his name by somebody. It is admitted that this was erroneously done in the Government Printing Office.

Do you know who all must pass on an error like that before it can get into the RECORD? First, there is the copy cutter. He is responsible for everything that goes in before it is set up in type. Then there is a linotype setter, who actually sets the manuscript in type. If he is a man of discernment—the kind of discernment that would warrant him to draw the salary he receives down there—he ought to have caught that error instantly, because here is Mr. BOLAND's name in large capital letters at the top of the remarks which he prints under my name. Then after it is set up, there are two initial proofreaders, who read and compare together. They are called the proofreaders in black. They read the composition set up in black ink. Then after they make their corrections, in order to avoid all errors, that copy and proof go to the blue proofreaders. The corrected proof is printed in blue ink, and these second proofreaders must read and compare it again to catch errors. Then it goes, finally, to the referee, who goes over it to see that no errors have been overlooked. There are these five different checks of everything that goes into the CONGRESSIONAL RECORD to keep errors out of it.

I maintain that that was an inexcusable error. It should not have gotten by all five of these checks. Some of these should have discovered and corrected it. I want to call your attention to one thing. These employees of ours in the Government Printing Office are the best-paid printing-plant employees in the world. Did you know that? They are paid more than any similar employees in any private printing plant in the world. Did you know they receive 15 percent extra pay for night work? They receive for all overtime and for Sunday work time and a half. That means that they receive 150 percent of their regular base pay every time they work Sundays or overtime. When they work on a holiday they receive two and one-half times their base pay. Every holiday they work they get 250 percent of their salaries. They do not work on Saturday, for both Saturday and Sunday are regular holidays. They work only 5 days a week, of 8 hours per day, or 40 hours per week, and the ones who do work on Saturday receive the extra pay for doing it.

Under the ruling of the Public Printer, the employees are permitted this year to take their 30 days leave with pay, which he claims accumulated to their credit last year. On July 1, 1932, there were 4,845 employees on the rolls of the Government Printing Office, and during the fiscal year of 1932 ending on that date the Public Printer paid for 20,941 hours of overtime, at the extra overtime rate of pay. On account of our reducing appropriations the employees on December 1, 1932, had been reduced so that only 4,769 employees then remained on the rolls. The average compensation of all employees for the fiscal year of 1932 was $2,149.96, while, as I will show you, quite a number received very large salaries.

Let me now show you some of these salaries. I have here the President's Budget for 1934, from which I will quote.

Mr. GOSS. Mr. Speaker, I make the point of order the gentleman is not presenting a question of personal privilege, in my opinion.

Mr. BLANTON. Oh, but I am.

The SPEAKER. The Chair thinks he is and so holds.

Mr. BLANTON. My very unwise young friend from Connecticut is learning things as he goes along.

Mr. GOSS. I thank the gentleman for the compliment.

Mr. BLANTON. And after he stays here as long as I have he will find out that when he makes these hypercritical points of order they come home to him once in awhile, because there is not a man on this floor who gets out of the record, who gets beyond the rules and regulations, more often than my friend does.

Mr. GOSS. I thank the gentleman for the compliment.

Mr. BLANTON. And I think a great deal of him for all that; he is a pretty good young fellow for all that.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a moment.

Mr. BOYLAN. I wish to ask one little question right at this point.

Mr. BLANTON. I cannot yield at the present time. My friend and collaborator, the distinguished, able, efficient Representative from New Jersey [Mrs. NORTON] has an important matter to bring up and I do not want to be taking up her time.

From the President's Budget for the next fiscal year of 1934 I will read you some of the salaries—that is, the base salaries—of the Government Printing Office employees:

Public Printer, $10,000; Deputy Public Printer, $7,500.

Then I quote this from the President's Budget:

To enable the Public Printer to comply with the provisions of law granting holidays and half holidays, and Executive orders granting holidays and half holidays with pay to employees, and to enable the Public Printer to comply with the provisions of law granting (30 days) annual leave to employees with pay, * * * $2,500,000.

They have a mechanical superintendent at $6,000; production manager, $5,600; superintendent of accounts,

and budget officer, technical director, $5,200; night production manager, $5,000; purchasing agent, $4,800; 5 employees, including the superintendent of printing, $4,600 each; chief clerk, and 3 others, at $4,400 each. They have a CONGRESSIONAL RECORD clerk at $4,000; assistant to the Public Printer at $4,200; assistant purchasing agent at $3,800; 7 other assistants at $3,800; the foreman gets $3,700; an assistant superintendent and 31 others get $3,600; the chief computer gets $3,500; the chief indexer gets $3,480; they have 17 employees getting $3,400 each; 2 others get $3,250 each; 62 get $3,200 a year each; they have a financial clerk at $3,000; 15 other employees at $3,000 each; 4 at $2,900 each; 1 at $2,875; 1 at $2,800; head plateman, $2,750; 9 clerks at $2,600 each; 4 at $2,500 each; 2 at $2,460 each; 6 at $2,400 each; 8 at $2,300 each; 10 at $2,200 each; 11 at $2,040 each; 7 at $2,000 each; 8 at $1,980 each; 3 at $1,920 each; 43 at $1,860 each; 19 at $1,800 each; 21 at $1,680 each.

Then we get down to those paid at a basic rate per hour.

There are 260 employees getting $1.15 an hour basic pay, which is two and one half times doubled when they work on holidays, and one and a half times doubled when they work overtime or on Sundays, and increased 15 percent when they work at night.

They have 1,030 employees getting $1.10 an hour basic pay; 548 employees getting $1.05 an hour basic pay; 188 employees getting $1 an hour basic pay. They are all well paid and cared for, and there is not any excuse for making a mistake of this kind.

Mr. BOYLAN. Will the gentleman yield for a question right there?

Mr. BLANTON. No. I will yield in another minute.

Mr. BOYLAN. The gentleman said last time he would yield in a minute. The time limit has elapsed.

Mr. BLANTON. No; I regret not to yield now to my friend from New York, as I want to discuss these facts.

Mr. BOYLAN. It is very pertinent right in this connection.

Mr. BLANTON. I regret that I cannot yield now. I will show you how a mistake like this might hurt. Suppose one of my dry speeches were to be put under Mr. O'CONNOR'S name or under Mr. CELLER'S name?

Mr. O'CONNOR. It would be all right with me.

Mr. BLANTON. Or under Mr. SABATH'S name, or even under the name of our distinguished friend the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Nobody would believe it.

Mr. BLANTON. They would not believe that she would make a "dry" speech, would they?

Mrs. NORTON. No.

Mr. BLANTON. I will tell you what someone can do when you are 2,000 miles away from home; a political opponent or someone who might not like me could take this RECORD and go from one side of my district to the other and say, "Here is what BLANTON says in behalf of a wet bill on the floor of the House."

Why, last year when I was busy here working day and night for the people, a shrewd lawyer—a district attorney—went over my district of 19 counties for months and said that we were voting to pay $11 a day to a chaplain just to make a prayer. He did not know that this distinguished and beloved minister of the gospel is our spiritual leader in this House, that he is the pastor, you might say, for 435 congressional families, that he sits here with us as he does now, encouraging us to do our duty. [Applause.] And he gets a little measly salary of $1,680 a year, and earns several times that amount.

This politician, speaking over my district for months, said that we paid the doorkeeper of the House $55 a day to sit at a door, when as a matter of fact our doorkeeper, Hon. Joe Sinnott, does not "sit at a door", and he actually receives $6,000 per year, less the economy cuts, for working 365 days in the year, and looking after scores of employees under him.

When did you ever see Joe Sinnott sitting at a door? This politician did not know there are about 20 doors to this House that must be properly guarded, both as to this floor and the gallery. He did not know that Joe Sinnott works hard 365 days in the year for a salary of $6,000, and has numerous employees under him to look after. Yet this slick politician went from one side of my district to the other saying that we Congressmen paid our Doorkeeper $55 a day to just sit at a door when we were in session. Suppose he had had this RECORD with this wet speech under my name?

So you can see it is necessary that the time of this House be taken to make such corrections.

Now, let me give you a little insight into some history. You gentlemen who were here then will remember back in 1921 I spent about 2 months checking up the Government Printing Office. I went down there and went into every department of it. I spent 2 months of my vacation time checking it up, and I made a detailed report of my investigations to this House. I got permission on October 21, 1921, to extend my remarks in the RECORD.

I printed this in the appendix of the RECORD of October 22, 1921. There was not a word of that report that was improper in any way, and it was made in the interest of the people of this Nation. In this report there was a short document, sworn to, and filed with the Public Printer by Millard French, an employee of the Government Printing Office, swearing on oath that because he refused to pay $15 a month out of his salary to a union there he was cursed and abused, and treated like a dog, and threatened to be kicked out, and was kicked out. Because I called attention to this and reprinted the language, deleting the bad words, just as I did when I was a judge on the bench in certifying records of the court on appeal to higher courts, the Republican leader who was here then—thank God our present leader is not like him—was promised by certain men that he would be sent to the Senate if he would put me out of Congress. And this Republican leader, Frank Mondell, tried to put me out of Congress. He made a motion to expunge my whole speech and said that I had used bad language in it when I had not, and without giving me one moment to explain, he had expunged my speech from the RECORD. Then he moved to expel me from the House. He did not refer the matter to a committee, as he should have done, had he been fair; he did not give me counsel, he did not give me time to answer or to prepare a defense. He called it up on the spur of the moment, he thought that by expunging my report from the RECORD the people of the United States would believe I had done wrong.

There were 302 Republicans in this House at that time. Frank Mondell was the Republican majority leader of the House. He could have done anything he wanted to with votes if he could have convinced them that I was wrong, for he had 302 Republican votes under his command. Frank Mondell called Republican after Republican to his office that morning and demanded as their leader that they vote with him to pitch me out of this House, but, thank God, he could get only 204 votes against me in this House of 435 Members.

Then, in the following election, he ran for the United States Senate in the State of Wyoming, from which he had been their Congressman for years. I had that RECORD reprinted at my own expense. I sold a farm to do it. I had it printed at a private printing plant. I got the poll-tax list containing the name of every voter in Wyoming, and I sent this expunged report of mine on the Government Printing Office to the men and women of Wyoming. I said, "I have been standing for the moral side of every issue since I have been a grown man. I leave it to you as to whether Frank Mondell did me justice"; and did you know he did not carry but one county in the whole State of Wyoming? [Laughter and applause.] Yet Mondell had been Wyoming's only Congressman for 20 years. Did you know that Wyoming went Republican and sent a Republican

here, Mr. Winter, to succeed Mondell, and at the same time Mondell carried but one county in his State. And Frank Mondell has been dead politically ever since, and has long since gone and been forgotten. His own people of Wyoming justly punished Mondell for the great injustice he wantonly did me.

Mr. CLARKE of New York. Mr. Speaker, much as I love the speaker, I do not think he needs to go quite as far afield and attack us Republicans. There are only a few of us left here to fight now.

Mr. BLANTON. I want to say to my good friend from New York that there is a different sentiment in this House since the days of Mondell. I have a cordial, friendly feeling for every Republican in this House.

Mr. CLARKE of New York. There are a lot of Republicans who have helped to keep you here and the gentleman should be appreciative of that attitude.

Mr. BLANTON. I know it, and I am appreciative, and I want to say that of the 204 Republicans, some of whom, by threats and browbeating, Mondell then got to vote against me, there are mighty few left in the House now—only a handful, comparatively.

Mr. CLARKE of New York. Mr. Speaker, I shall have to insist that both Tom and I are wandering far away from the subject in hand.

Mr. BLANTON. I am now getting back to the Government Printing Office.

Mr. CLARKE of New York. Well, get back to the wet-and-dry issue. [Laughter.]

Mr. BLANTON. All right. Ever since my investigation and report in 1921 there has been a feeling of resentment here and there in the breasts of at least a few in the Government Printing Office against me because of this report. While most of the officials and employees there are my friends some have never gotten over it. There are some of the finest men in the world among the officials and employees of the Government Printing Office. Some of them are my close, personal friends. Some of them are Masons of high standing, and I have addressed their Government Printing Office Masonic Lodge, and have been pleasantly entertained by them. But there are a few who never have forgiven me for showing the rotten conditions that existed in that plant.

I am a little inclined to believe that some sentiment of this kind might possibly have caused this error. Of course, I might be mistaken. But I just cannot understand why some of the five check-ups did not discover the error before printing it. I may say that if the Democrats do their duty by the Democrats, as the Republicans always do their duty by Republicans, it should not be many more days before our President puts a Democratic Public Printer at the head of the Government Printing Office. I am a firm believer in the good, old slogan followed both by Republicans and Democrats that "To the victor belong the spoils."

For the information of all of our splendid new Members here, I will say that on December 7, 1927, our present distinguished and beloved majority leader, the gentleman from Tennessee [Mr. BYRNS], granted me time, and I read from this floor my report on the Government Printing Office which Mondell had expunged in 1921, and you will find it on pages 200 to 212, inclusive, in the daily CONGRESSIONAL RECORD of Wednesday, December 7, 1927. I would appreciate it if you new colleagues would kindly get this RECORD and read it, and it will disclose the great injustice Mondell did me in 1921.

Mr. Speaker, in closing I again call attention to page 1053, column 1, lines 11 to 46 inclusive, which is the speech of my good friend from Pennsylvania [Mr. BOLAND], but appears under my name. I ask unanimous consent that that be corrected.

Mr. BOYLAN. Reserving the right to object, Mr. Speaker, I want to ask the gentleman a question.

Mr. BLANTON. I have a right to have it corrected without unanimous consent, but I yield to my friend from New York, because I intended to yield to him anyway.

Mr. BOYLAN. Thank you. May I ask the gentleman, in the past year, how many errors has the Public Printer made in the gentleman's remarks?

Mr. BLANTON. Oh, in the past few years I guess about 15—little insignificant typographical errors that did not hurt me any. The other very serious error was when I ordered years ago 50,000 copies of a speech, that cost me nearly a thousand dollars to print, there was inserted in the middle of my speech, as a part of it, four pages of a most partisan Republican speech, made by a Republican colleague, making a vicious attack upon President Wilson. I distributed several thousand copies of this speech in my district before I discovered the error. That one was costly.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes; I yield to a most valuable Member on the Republican side of the House.

Mr. RICH. We want to protect the gentleman. He should realize that he is on dangerous ground. He is now dealing with the wet and dry question, and he must realize that a majority of the wets are on the Democratic side, and the gentleman will be compelled to come back to the Republicans and ask them to protect him again. The gentleman should be very careful how he acts.

Mr. BLANTON. Oh, I never have asked the Democrats or the Republicans to protect me. I protect myself. I have been doing it for a good long time. But I must conclude this speech. Though they may hardly be able to believe it, I am going to help Mr. PALMISANO and Mr. BLACK and Mrs. NORTON handle their beer bill today, because when the time comes I shall make a preferential motion here to concur in the Senate amendments. They hope to send the bill to conference and there to strike out the Senate amendments. I am in favor of the Senate amendments, to keep liquor out of this Capitol.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mrs. NORTON. Suppose we do not want to concur?

Mr. BLANTON. Then probably the lady will not want to yield me time to make the motion.

Mrs. NORTON. I shall try not to.

Mr. SNELL. Mr. Speaker, I make the point of order that the gentleman has long since exhausted any question of personal privilege brought before the House at this time.

Mr. BLANTON. No; I have not, quite.

Mr. SNELL. Mr. Speaker, I make the point of order and ask the Chair to rule upon it.

The SPEAKER. Under the rules, the gentleman must confine his remarks to the question of personal privilege.

Mr. BLANTON. I shall confine myself to the question of personal privilege, but did not want the gentleman from New York to take me off my feet until I got through taking this drink of water. In conclusion, I should say that with regard to the great majority of nearly 5,000 employees in the Government Printing Office, they are my friends. A few down there are not. Plenty of wets there are my friends, but there are a few down there, maybe, wet and dry, who are not, and once in a while I get stung, and I have to take up the time of the House to correct the RECORD, and I have done it. I thank you.

DISTRICT OF COLUMBIA BEER BILL

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 3342, to provide revenue for the District of Columbia for the taxation of beverages, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent to take the bill H.R. 3342 from the Speaker's table, disagree to the Senate amendment, and ask for a conference. Is there objection?

Mr. BLANTON. Mr. Speaker, is that request separable? If the lady will separate the question, I shall not object.

The SPEAKER. It is a unanimous-consent request.

Mr. BLANTON. If she will separate the request and ask first to take the bill from the Speaker's table, I shall not object, because I want to make a preferential motion to concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. BLANTON. I object.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take the bill H.R. 3342, with a Senate amendment thereto, from the Speaker's table.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent to take the bill from the Speaker's table. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk proceeded to read the Senate amendment.

Mr. BLACK (interrupting the reading). I ask unanimous consent that the further reading of the Senate amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection?

Mr. BLANTON. I reserve the right to object, Mr. Speaker, so that the parliamentary situation may be clearly understood before the vote is taken on my motion to concur in the Senate amendments. The changes made by the Senate are all desirable, salutary, and decent, and should be adopted, for we drys do not want beer sold in this Capitol and other Government buildings and we do not want it sold—

In vehicles parked entirely upon the premises designated in the permit.

Here is the parliamentary situation: The Senate struck out all of the House bill after the enacting clause and inserted its own bill, which is the House bill including the Senate amendments. One of these Senate amendments, known as the Gore amendment, practically identical with that offered in the House by the gentleman from Georgia [Mr. TARVER], is as follows:

Provided, That no license shall be issued for the sale of any such beverages in any building owned or leased by the United States and used for the transaction of public business.

This Gore amendment was adopted in the Senate last Friday by a vote of 44 yeas to 28 nays, being nearly a 2 to 1 vote for the amendment. The Senate must have had some good reason for adopting the amendment. They must be of the opinion that it is not to the best interests of the American people to have this beer sold in their Nation's Capitol and other Government buildings. I am in favor of the House's concurring in this very salutary amendment, for by concurring we will keep beer from being sold in this Capitol.

The other very salutary amendment passed in the Senate, and with which we should concur, is what is known as the Capper amendment, which prevents this beer from being sold in vehicles parked entirely upon the premises of the permittee. Certainly the House should concur in that wise amendment. If it is understood by everyone that the Senate amendments prevent the sale of beer in Government buildings and the sale out in beer gardens to automobiles of people parked there, I shall not object to dispensing with the further reading of the Senate bill.

I shall move to concur in these very desirable Senate amendments. If we do concur in same, that will end the controversy, and there will be no beer sold in the Capitol and other Government buildings and no beer sold to people in automobiles parked on the premises of the beer barons. If we do not vote to concur, the committee will move to disagree with these Senate amendments and send the bill to conference, and in conference will have these Senate amendments stricken from the bill, and we will then wind up by having pre-war beer sold in this Capitol and in every other Government building in Washington.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLACK]?

There was no objection.

The Senate amendment is as follows:

Strike out all after the enacting clause and insert:

"That the term 'beverage' as used in this act means beer, lager beer, ale, porter, wine, similar fermented malt or vinous liquor, and fruit juice, containing one half of 1 percent or more of alcohol by volume, and not more than 3.2 percent of alcohol by weight.

"SEC. 2. (a) No individual, partnership, association, or corporation shall within the District of Columbia manufacture for sale or sell any beverage without having first obtained a permit under this act for such manufacture or sale.

"(b) No individual shall within the District of Columbia offer for sale, or solicit any order for the sale of, within the District of Columbia, any beverage unless—

"(1) such individual has first obtained a permit of the character described in section 4(a) (5); and

"(2) the vendor is the holder of a permit issued under this act authorizing such sale.

"Nothing in this subsection shall apply to any offer for sale or solicitation made upon the premises designated in the permit of the vendor.

"SEC. 3. The Commissioners of the District of Columbia are authorized to issue permits to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor for the manufacture, sale, offer for sale, or solicitation of orders for sale, of beverages within the District of Columbia, subject, however, to the limitations, and restrictions imposed by this act. The Commissioners shall keep a full record of all applications for permits, of all recommendations for and remonstrances against the granting of permits, and of the action taken thereon.

"SEC. 4. (a) Permits issued under authority of this act shall be of five kinds:

"(1) 'On sale' permits, which shall be issued only for bona-fide restaurants or hotels, or for bona-fide incorporated clubs with annual dues of at least $6. Such permits shall authorize the permittee to sell beverages for consumption on the premises designated in the permit, (A) in the case of restaurants, at public tables or in vehicles parked entirely upon the premises designated in the permit, but no beverage shall be sold or served in any room not used primarily for the serving and consumption of food; except that beverages may be sold or served to assemblages of more than six individuals in private rooms or at private tables when expressly authorized by the Commissioners, or (B) in the case of hotels or clubs, at tables or in the rooms of guests or members. No such permit shall be issued for any restaurant which has not been established and doing business for at least 6 months immediately prior to the application for such permit;

"(2) 'Off sale' permits, which shall authorize the permittee to sell beverages for consumption only off the premises designated in the permit, and not to other permittees for resale, but such sale shall be made only in the immediate container in which the beverage was received by the 'off sale' permittee, except that in the case of an 'off sale' permit held by the holder of a manufacturer's or wholesaler's permit beverages may be sold only in such barrels, bottles, or other closed containers as the Commissioners may by regulation prescribe; but no 'off sale' permit shall be issued or remain in force in respect of any premises for which an 'on sale' permit is in force;

"(3) Manufacturers' permits, which shall authorize the permittee to manufacture beverages and to sell the same in barrels, bottles, or other closed containers to other permittees for resale only;

"(4) Wholesalers' permits, which shall authorize the permittee to sell beverages in barrels, bottles, or other closed containers to other permittees for resale only; and

"(5) Solicitors' permits, which shall authorize the permittee within the District of Columbia to offer for sale, or solicit orders for the sale of, within the District of Columbia, any beverage if the vendor of such beverage is the holder of a permit issued under this act authorizing such sale. Solicitor's permits shall not be issued without the recommendation of the vendor whom the solicitor represents. Nothing in this act shall be construed as repealing any portion of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended.

"(b) The holder of a manufacturer's or wholesaler's permit shall not be entitled to hold an 'on sale' permit and may hold only one 'off sale' permit, which shall be issued only in respect of the premises designated in his permit as a manufacturer or wholesaler.

"SEC. 5. (a) Any individual, partnership, or corporation desiring a permit under this act shall file with the Commissioners an application therefor in such form as the Commissioners may prescribe, and such application shall contain such information as the Commissioners may require, and (except in the case of an application for a solicitor's permit) shall contain a statement setting forth the name and address of the true and actual owner of the premises upon which the business to be permitted is to be con-

ducted. Before a permit is issued the Commissioners shall satisfy themselves (1) that the applicant is financially responsible, and generally fit for the trust to be in him reposed; (2) that the applicant, if an individual, or if a partnership, each of the members of the partnership, or if a corporation, each of its principal officers and directors, is of good moral character; (3) that the applicant, if an individual, or if a partnership, each of the members of the partnership, or if a corporation, each of its principal officers, is a citizen of the United States not less than 21 years of age, and has never been convicted of a felony; (4) except in the case of an application for a solicitor's permit, that the applicant intends to carry on the business authorized by the permit for himself and not as the agent of any individual, partnership, association, or corporation, and that he intends to superintend in person the management of the business permitted, or intends to have some other person to be approved by the Commissioners manage the business for him; (5) that, in the case of an applicant for an 'on sale' or an 'off sale' permit, no manufacturer or wholesaler of beverages (other than the applicant) has a substantial financial interest, direct or indirect, in the business for which the permit is requested or in the premises in respect of which such permit is to be issued, and that such business will not be conducted with any money, equipment, furniture, fixtures, or property rented from, or loaned or given by, any manufacturer or wholesaler; and (6) except in the case of an application for a solicitor's permit, that the proposed location of the business is an appropriate one, taking into consideration its surroundings and the number of similar permits already issued in the neighborhood where the appliicant's business is to be conducted. Not more than five 'on sale' permits shall be issued to any one individual, partnership, or corporation, and a separate application shall be filed with respect to each place of business.

"(b) Any such application shall be verified by the affidavit of the applicant, if an individual, or by all the members of a partnership, or by the proper officer of a corporation. If any false statement is knowingly made in such application or in any accompanying statements under oath which may be required by the Commissioners the person making the same shall be deemed guilty of perjury. The making of a false statement in any such application or in any such accompanying statements, whether made with or without the knowledge or consent of the applicant, shall, in the discretion of the Commissioners, constitute sufficient cause for the revocation of the permit.

"SEC. 6. The fees required for permits issued pursuant to the provisions of this act shall be as follows: For each 'on sale' permit, $100 per annum; for each 'off sale' permit, $50 per annum; for each manufacturer's permit, $1,000 per annum; for each wholesaler's permit, $250 per annum; and for each solicitor's permit, $1 per annum. The required permit fee shall accompany the application required by section 5 of this act. A permit shall be good for 1 year from the date of its issue, unless sooner revoked for cause by the Commissioners, and may, with the approval of the Commissioners, be renewed upon payment of the required fee. Permits shall not be transferred except with the consent of the Commissioners, and each permit (except a solicitor's permit) shall designate the place of business for which it is issued.

"SEC. 7. In the event a permittee has designated a person to manage the business for him, and the employment of such manager shall terminate, such permittee shall forthwith notify the Commissioners of such termination, and shall within a reasonable time thereafter designate a new manager, and such new manager shall be subject to the approval of the Commissioners. If no manager acceptable to the Commissioners is designated within a reasonable time after the employment of the former manager has terminated, the permit shall, in the discretion of the Commissioners, be revoked.

"SEC. 8. If any manufacturer or wholesaler of beverages shall have any substantial financial interest, either direct or indirect, in the business of any other 'on sale' or 'off sale' permittee, or in the premises on which said business is conducted, the Commissioners shall, in their discretion, revoke the permit issued in respect of the business in which such manufacturer or wholesaler is so interested. No manufacturer or wholesaler of beverages shall rent, lend, or give to any 'on sale' or 'off sale' permittee or to the owner of the premises on which the business of any 'on sale' or 'off sale' permittee is to be conducted any money, equipment, furniture, fixtures, or property with which the business of said permittee is to be conducted.

"SEC. 9. Each manufacturer and wholesaler of beverages within the District of Columbia shall, on or before the 10th day of each month, furnish to the assessor of the District of Columbia, on a form to be prescribed by the Commissioners, a statement under oath showing the quantity of beverages sold for resale during the preceding calendar month to each 'on sale' and 'off sale' permittee within the District of Columbia. Each 'on sale' and 'off sale' permittee shall, on or before the 10th day of each month, furnish to the assessor of the District of Columbia, on a form to be prescribed by the Commissioners, a statement under oath showing the quantity of all beverages sold by him during the preceding calendar month.

"SEC. 10. No 'on sale' or 'off sale' permittee shall purchase any beverage from any manufacturer or wholesaler doing business outside of the District of Columbia and not holding a permit issued under the provisions of this act, and transport or caused the same to be transported into the District of Columbia for resale, unless such manufacturer or wholesaler has obtained from the Commissioners a certificate of approval, which certificate shall not be granted unless and until such manufacturer or wholesaler shall have agreed with the Commissioners to furnish to the assessor of the District of Columbia, on or before the 10th day of each month, a report under oath, on a form to be prescribed by the Commissioners, showing the quantity of beverages sold or delivered to each 'on sale' or 'off sale' permittee during the preceding calendar month. If any such manufacturer or wholesaler shall, after obtaining such certificate, fail to submit any such report, the Commissioners shall, in their discretion, revoke such certificate.

"SEC. 11. There shall be levied and collected by the District of Columbia on all beverages sold by any 'on sale' or 'off sale' permittee within the District of Columbia a tax of $1 for every barrel of beverages containing not more than 31 gallons, and at a like rate for any other quantity, or for the fractional parts thereof. The tax imposed by this section shall be paid by the 'on sale' or 'off sale' permittee to the collector of taxes of the District of Columbia on or before the 10th day of each month for beverages sold by the permittee during the preceding calendar month.

"SEC. 12. The act entitled 'An act to prohibit the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes,' approved March 3, 1917, with the exception of sections 11 and 20 thereof, is hereby repealed; except that the term 'alcoholic liquor' used in said section 11 of such act shall not be construed to include beverages authorized to be manufactured and sold by this act.

"SEC. 13. No 'off sale' permittee shall give or sell, and no 'on sale' permittee shall give, sell, or serve any beverage to any person under 18 years of age. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than $100, or be imprisoned not longer than 6 months, or be subject to both such fine and imprisonment.

"SEC. 14. The Commissioners are hereby authorized to prescribe such rules and regulations not inconsistent with law, as they may deem necessary, for the issuance of permits, and for the manufacture, sale, offer for sale, or solicitation of orders for sale, of beverages, and the operation of the business of permittees. Such regulations may be altered or amended from time to time as the Commissioners may deem desirable.

"SEC. 15. It shall be the duty of the Commissioners to cause frequent inspections to be made of all premises with respect to which any permit shall have been issued under this act. If any permittee violates any of the provisions of this act or any of the rules and regulations of the Commissioners promulgated pursuant thereto, or fails to superintend in person or through a manager approved by the Commissioners the business for which the permit was issued, or allows the premises with respect to which the permit of such permittee was issued to be used for any unlawful, disorderly, or immoral purposes, or knowingly employs in the sale or distribution of beverages any person who has been convicted of a felony, or otherwise fails to carry out in good faith the purposes of this act, the permit of such permittee may be revoked by the Commissioners after the permittee has been given an opportunity to be heard in his defense.

"SEC. 16. Whoever violates any of the provisions of this act (except sec. 13 thereof) or any of the rules and regulations promulgated pursuant thereto shall, upon conviction thereof by a court of competent jurisdiction, be punished by a fine of not more than $500 or by imprisonment for not longer than 6 months, or by both such fine and imprisonment, in the discretion of the court. If any permittee is convicted of a violation of the provisions of this act or any of the rules and regulations promulgated pursuant thereto, the court shall immediately declare his permit revoked and notify the Commissioners accordingly, and no permit shall thereafter be granted to him within the period of 3 years thereafter. Any permittee who shall sell or permit the sale on his premises or in connection with his business or otherwise, of any alcoholic beverages not authorized under the terms of this act, unless otherwise permitted by law, shall, upon conviction thereof, forfeit his permit in addition to any punishment imposed by law for such offense.

"SEC. 17. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provisions to other persons or circumstances shall not be affected thereby.

"SEC. 18. It shall be unlawful to sell or offer for sale any beverage within the District of Columbia prior to April 7, 1933."

Mrs. NORTON. Mr. Speaker, I move that the House disagree to the Senate amendment and send the bill to conference.

Mr. BLANTON. Mr. Speaker, I make a preferential motion to concur in the Senate amendment.

If that is done, this bill will go to the White House today.

The SPEAKER. That is a preferential motion. The question is on the motion of the gentleman from Texas to concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 62, noes 113.

Mr. BLANTON. Mr. Speaker, I make a point of no quorum, and on that I ask for the yeas and nays.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-five Members are present, not a quorum. The Clerk will call the roll.

Mr. GOSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOSS. Do I understand that the vote was objected to on the ground that there was not a quorum present?

The SPEAKER. The gentleman is correct.

Mr. GOSS. Then this vote is on accepting the Senate amendment?

The SPEAKER. The question is on the motion of the gentleman from Texas to concur in the Senate amendment.

The question was taken; and there were—yeas 150, nays 197, not voting 83, as follows:

[Roll No. 9]

YEAS—150

Abernethy	Ellzey, Miss.	Lundeen	Rogers, Okla.
Allen	Eltse, Calif.	McCarthy	Sanders
Arnold	Evans	McClintic	Sandlin
Ayres, Kans.	Fish	McFadden	Sears
Bankhead	Flannagan	McFarlane	Shallenberger
Beedy	Fletcher	McGugin	Shannon
Bland	Frear	McKeown	Sinclair
Blanton	Fuller	McMillan	Smith, Va.
Briggs	Fulmer	McReynolds	Snell
Brown, Mich.	Gasque	Major	Stalker
Browning	Gibson	Maloney, Conn.	Steagall
Bulwinkle	Gilchrist	Mapes	Strong, Pa.
Burch	Gillette	Martin, Colo.	Strong, Tex.
Busby	Glover	Martin, Mass.	Stubbs
Byrns	Goldsborough	May	Sumners, Tex.
Caldwell	Gray	Miller	Swank
Cannon, Mo.	Greenwood	Milligan	Swick
Carden	Gregory	Mitchell	Tarver
Carpenter, Kans.	Guyer	Morehead	Taylor, Colo.
Castellow	Hastings	Oliver, Ala.	Taylor, Tenn.
Chase	Hill, Knute	Owen	Terrell
Claiborne	Hoeppel	Parker, Ga.	Thurston
Clarke, N.Y.	Hope	Parks	Tobey
Cochran, Mo.	Huddleston	Parsons	Treadway
Collins, Miss.	Johnson, Tex.	Patman	Turner
Colmer	Jones	Peterson	Umstead
Cooper, Tenn.	Keller	Pierce	Watson
Cox	Kelly, Pa.	Pou	Weaver
Cravens	Kerr	Ragon	White
Crowe	Kinzer	Ramspeck	Whittington
Crowther	Kurtz	Rankin	Wilcox
Culkin	Kvale	Rayburn	Wilson
Cummings	Lambertson	Reece	Wolcott
Dear	Lanham	Reed, N.Y.	Wolverton
Deen	Lea, Calif.	Rich	Wood, Ga.
Dowell	Lozier	Richards	Woodrum
Doxey	Luce	Robertson	
Driver	Ludlow	Rogers, Mass.	

NAYS—197

Adair	Celler	Faddis	Hughes
Adams	Chavez	Farley	Imhoff
Andrew, Mass.	Church	Fernandez	Jacobsen
Andrews, N.Y.	Coffin	Fiesinger	James
Arens	Colden	Fitzpatrick	Jeffers
Ayers, Mont.	Cole	Ford	Jenckes
Bacon	Collins, Calif.	Foss	Johnson, Minn.
Bakewell	Condon	Gambrill	Johnson, W.Va.
Beam	Connery	Gifford	Kahn
Beck	Crosby	Gillespie	Kee
Berlin	Cross	Goodwin	Kelly, Ill.
Biermann	Crosser	Goss	Kemp
Black	Cullen	Griffin	Kennedy, Md.
Blanchard	Darden	Griswold	Kennedy, N.Y.
Bloom	Delaney	Hamilton	Kleberg
Boehne	DeRouen	Hancock, N.Y.	Kloeb
Boileau	Dickinson	Harlan	Kniffin
Boland	Dickstein	Hart	Knutson
Boylan	Dies	Harter	Kocialkowski
Brennan	Dirksen	Hartley	Kopplemann
Brown, Ky.	Dobbins	Healey	Kramer
Brumm	Dockweiler	Henney	Lamneck
Brunner	Douglass	Hess	Larrabee
Buchanan	Duffey	Higgins	Lehlbach
Buck	Duncan, Mo.	Hildebrandt	Lehr
Burke, Nebr.	Dunn	Hill, Ala.	Lemke
Burnham	Durgan, Ind.	Hill, Sam B.	Lewis, Colo.
Carpenter, Nebr.	Eagle	Holmes	Lloyd
Carter, Calif.	Eicher	Hooper	McCormack
Carter, Wyo.	Englebright	Howard	McDuffie
McGrath	O'Malley	Schulte	Vinson, Ga.
McLean	Palmisano	Scrugham	Vinson, Ky.
Maloney, La.	Parker, N.Y.	Secrest	Wadsworth
Mansfield	Peavey	Seger	Wallgren
Marland	Perkins	Shoemaker	Walter
Martin, Oreg.	Pettengill	Simpson	Warren
Mead	Peyser	Sirovich	Wearin
Merritt	Polk	Sisson	Welch
Millard	Powers	Spence	Werner
Monaghan	Prall	Studley	West
Montet	Randolph	Sutphin	Whitley
Moran	Ransley	Sweeney	Wigglesworth
Mott	Reilly	Thom	Williford
Murdock	Richardson	Thomason, Tex.	Williams
Musselwhite	Robinson	Thompson, Ill.	Withrow
Nesbit	Rogers, N.H.	Tinkham	Young
Norton	Ruffin	Traeger	Zioncheck
O'Brien	Sabath	Truax	
O'Connell	Sadowski	Turpin	
O'Connor	Schaefer	Utterback	

NOT VOTING—83

Allgood	Cochran, Pa.	Green	Oliver, N.Y.
Almon	Connolly	Haines	Ramsay
Auf der Heide	Cooper, Ohio	Hancock, N.C.	Reid, Ill.
Bacharach	Corning	Hoidale	Romjue
Bailey	Crump	Hollister	Rudd
Beiter	Darrow	Jenkins	Schuetz
Bolton	De Priest	Johnson, Okla.	Smith, Wash.
Brand	Dingell	Kenney	Smith, W.Va.
Britten	Disney	Lambeth	Snyder
Brooks	Ditter	Lanzetta	Somers, N.Y.
Buckbee	Dondero	Lee, Mo.	Stokes
Burke, Calif.	Doughton	Lesinski	Sullivan
Cady	Doutrich	Lewis, Md.	Taber
Cannon, Wis.	Drewry	Lindsay	Taylor, S.C.
Carley	Eaton	McLeod	Underwood
Cartwright	Edmonds	McSwain	Waldron
Cary	Fitzgibbons	Marshall	Weideman
Cavicchia	Focht	Meeks	Wolfenden
Chapman	Foulkes	Montague	Wood, Mo.
Christianson	Gavagan	Moynihan	Woodruff
Clark, N.C.	Granfield	Muldowney	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Cary (for) with Mr. Kenny (against).
Mr. Reid of Illinois (for) with Mr. Bachrach (against).
Mr. Jenkins (for) with Mr. Britten (against).
Mr. Taber (for) with Mr. Connolly (against).
Mr. Cartwright (for) with Mr. Hollister (against).
Mr. Burke of California (for) with Mr. Corning (against).

General pairs:

Mr. Doughton with Mr. Darrow.
Mr. Allgood with Mr. Edmonds.
Mr. Johnson of Oklahoma with Mr. McLeod.
Mr. Brand with Mr. Cavicchia.
Mr. Almon with Mr. Cooper of Ohio.
Mr. Drewry with Mr. Ditter
Mr. Green with Mr. Focht.
Mr. Hancock of North Carolina with Mr. Marshall.
Mr. Lambeth with Mr. Wolfenden.
Mr. McSwain with Mr. Stokes.
Mr. Clark of North Carolina with Mr. Doutrich.
Mr. Wood of Missouri with Mr. Christianson.
Mr. Romjue with Mr. Dondero.
Mr. Disney with Mr. Waldron.
Mr. Taylor of South Carolina with Mr. Eaton.
Mr. Underwood with Mr. De Priest.
Mr. Bailey with Mr. Cochran of Pennsylvania.
Mr. Hoidale with Mr. Woodruff.
Mr. Cady with Mr. Snyder.
Mr. Meeks with Mr. Cannon of Wisconsin.
Mr. Dingell with Mr. Ramsay.

Mr. McCORMACK. Mr. Speaker, the gentleman from Massachusetts, Mr. GRANFIELD, is unavoidably absent. If present, he would vote "no."

Mr. LEHR. Mr. Speaker, the gentleman from Michigan, Mr. WEIDEMAN, is unavoidably absent. If present, he would vote "no."

Mr. BYRNS. Mr. Speaker, the following Members are unavoidably absent, and if present would vote "no":

Messrs. RUDD, WEIDEMAN, BEITER, LEE of Missouri, FITZGIBBONS, MONTAGUE, GAVAGAN, AUF DER HEIDE, HAINES, CHAPMAN, GRANFIELD, LANZETTA, LINDSAY, LESINSKI, OLIVER of New York, SCHUETZ, SOMERS of New York, SMITH of West Virginia, SULLIVAN, CARLEY, BROOKS, LEWIS of Maryland, CRUMP, and FOULKES.

Mr. ENGLEBRIGHT. Mr. Speaker, I have been requested to announce that the following Members have been unavoidably detained, and if present they would vote "no":

Messrs. MOYNIHAN, MULDOWNEY, BUCKBEE, WOLFENDEN, MCLEOD, CAVICCHIA, and BOLTON.

Mr. SNELL. Mr. Speaker, for the purpose of getting a ruling from the Speaker I make objection to the practice of announcing that Members have been unavoidably detained, but if present they would vote thus and so. When any Member is not present, why should it be announced how he would vote?

The SPEAKER. There is no place in the rules providing for it.

Mr. BYRNS. It is a custom that we have.

Mr. SNELL. I submit that it can be carried to extremes, and I think we have been carrying it to extremes of late.

Mr. BYRNS. That may be so; but I think when a Member is unavoidably detained, the privilege ought to be given him to have that statement made and to show how he would vote.

Mr. BLANTON. It is a Republican custom we have been following.

Mr. SNELL. No; it is not. I take exception to that. It is not; the gentleman knows very well it is not.

Mr. BLANTON. We inherited it from the Republicans.

Mr. SNELL. No; you did not inherit it.

Mr. BLANTON. I think, myself, that the practice is very unwise, and I do not believe that it has ever been of any benefit to anybody.

The result of the vote was announced as above recorded.

Mrs. NORTON. Mr. Speaker, I renew my motion to disagree to the Senate amendment and ask for a conference.

The motion was agreed to.

The SPEAKER appointed the following conferees: Mrs. NORTON, Mr. PALMISANO, Mr. BLACK, Mr. STALKER, and Mr. WHITLEY.

CORRECTION OF THE RECORD

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOLAND. Mr. Speaker, on Thursday, March 30, a great injustice was surely done to my good friend from Texas, Mr. BLANTON. On page 1053, as the gentleman has stated to you, he was credited with a speech that I made upon the floor. I wish some of the speeches that were made by him I could get credit for since I have been a Member of Congress. However, it is all in the viewpoint. I came here with the express purpose of being a little angry that Mr. BLANTON was getting credit for my speech; but, lo and behold, I find him on the floor asking that justice be done. Now, the gentleman asked unanimous consent that the RECORD be corrected. It was objected to.

I now wish to ask unanimous consent to have the RECORD corrected.

Mr. BLANTON. It has already been corrected in the Printing Office.

Mr. BOLAND. Very well, then. I just wanted to state that I was here for the purpose of trying to have the RECORD corrected where Mr. BLANTON was given credit for my speech.

Mr. McGUGIN. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McGUGIN. Mr. Speaker, I am in full sympathy with the gentleman from Texas [Mr. BLANTON] in wanting the RECORD corrected as to his remarks. There is one part of his remarks about which I should like to make some comment, and that is his criticism of those responsible for printing the CONGRESSIONAL RECORD.

It may be a case of difference of opinion, but it seems to me there is not a more careful or more efficient organization to be found anywhere than those responsible for printing the CONGRESSIONAL RECORD, beginning with the reporters who take down our words here on the floor and leading all the way through to the printing of the RECORD itself. [Applause.]

I think it is remarkable that our reporters make as few mistakes as they do here. In the next stage, I think we owe an eternal debt of gratitude to the messengers who chase us down all over town to give us our proof. I have but the highest regard and credit for our good old friend, Sam Robinson. [Applause.] Just the other night I went home with one of my corrected speeches in my pocket. It was my error. Sam chased me down at 11 o'clock, got it, and it appeared in the RECORD perfectly the next morning.

Mr. BLANTON. Will my friend yield?

Mr. McGUGIN. I cannot yield now.

Mr. BLANTON. I agree with this statement of the gentleman from Kansas.

Mr. McGUGIN. Occasionally an error will occur in the RECORD, as errors are bound to occur in all undertakings. Those connected with the printing of the RECORD cannot stand on this floor and speak for themselves. I dislike very much to permit the criticism to go into the RECORD which will go out to the country tomorrow, a criticism of those responsible for the printing of the RECORD, without at least a few words being said in their defense.

Personally I think it is exceptional that they make as few mistakes as they do. This is the reason I make these remarks.

That the gentleman's speech was miscredited I am exceedingly sorry. I am glad it is being corrected, and it will be corrected. On this score I am in full accord with the gentleman from Texas, but I cannot go along with him on his criticism of those responsible for preparing the RECORD. [Applause.]

PRESIDENT ROOSEVELT'S FARM RELIEF PROGRAM—SMITH PLAN—DOMESTIC ALLOTMENT AND RENTAL PLAN

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks and to insert therein quotations from the farm relief bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. FULMER. Mr. Speaker, under leave to extend my remarks in the RECORD, I am quoting from a bill introduced by me March 20, which embodies the President's agricultural legislation, with comments thereon:

IN THE HOUSE OF REPRESENTATIVES,
March 20, 1933.

Mr. FULMER introduced the following bill, which was referred to the Committee on Agriculture and ordered to be printed:

H.R. 3835

A bill to relieve the existing national economic emergency by increasing agricultural purchasing power

Be it enacted, etc., That the present acute economic emergency being in part the consequence of a severe and increasing disparity between the prices of agricultural and other commodities, which disparity has largely destroyed the purchasing power of farmers for industrial products, has broken down the orderly exchange of commodities, and has seriously impaired the agricultural assets supporting the national credit structure.

A few illustrations will suffice to show what has happened to agricultural prices:

Prior to the war, during the period of 1909–14, for instance, farm wagons sold for $60 and cotton was selling for 12 cents per pound, or $60 per bale. At that time 1 bale of cotton would pay for a farm wagon. At this time the same wagon is selling for $90, cotton at 6 cents per pound, or $30 per bale. You can see from this that it will take 3 bales of cotton at this time to pay for the same wagon which 1 bale would buy prior to the war.

One of the heaviest expenses of the farmers of the South is their fertilizer bill. The following facts will give you some idea of just what southern farmers are up against in buying fertilizer and paying for the same at prevailing farm prices at this time: In 1913 a ton of 8–3–3 fertilizer cost $20.31. The average price of cotton was 12.2 cents; so it

required 166.5 pounds of cotton to buy a ton of fertilizer. Likewise in 1913, when the average wholesale price of 8–3–3 fertilizer was $20.31 a ton, the average price of wheat was 80 cents, and it required 25.4 bushels of wheat to buy a ton of fertilizer.

In 1931, when the wholesale price of 8–3–3 fertilizer was $19.12 and the price of cotton was 5.7 cents a pound, so that it required 335.4 pounds of cotton to buy a ton of fertilizer, the farmer had to carry to market 101 percent more cotton in 1931 to buy a ton of fertilizer than he did in 1913. Also in 1931, when the wholesale price of fertilizer was below the pre-war level and stood at $19.12, the price of wheat had dropped to 44.3 cents, and it required 43.2 bushels of wheat to buy a ton of fertilizer. In other words, it took 70 percent more bushels to buy the fertilizer in 1931 than in 1913.

In 1913 the average cost of a binder, as reported by the implement manufacturers to the Bureau of Labor Statistics, was $95.43. The average price of wheat then was 80 cents a bushel, and it took 120 bushels of wheat to buy a binder.

In 1931, as reported from the same source, the average price of a binder was $150.81, and the price of wheat 44.3 cents, so that it took a little over 340 bushels to buy a binder. This means that the farmer had to haul to town 185 percent more bushels in 1931 than he did in 1913 in order to buy a binder.

In 1913 the cost of a cultivator was $21.85 and the average price of cotton was 12.2 cents, so that it required 179 pounds of cotton to buy a cultivator.

In 1931 the price of the cultivator was $32.42 and the price of cotton was 5.7 cents, so that it required almost 692 pounds of cotton to buy the selfsame machine. In other words, the farmer had to deliver 286 percent more pounds of cotton in 1931 than he did in 1913 to buy the same cultivator. In 1913 it took less than one third of a bale of cotton to buy the cultivator and in 1931 it took over a bale and a third.

As a cotton producer, buying industrial products, fertilizer, and machinery to run my farm and selling my cotton and other farm products as outlined, you can readily see that my farm is an annual sinkingpot for every dollar that I can rake and scrape from every source available. I want to state to you frankly that if this position occupied by farmers is to be continued 12 months longer without any fair adjustment of prices not only will the agricultural interests of this country be absolutely defeated but all other lines of business that you have been trying to protect temporarily by loans from the Reconstruction Finance Corporation will pass out of existence, with millions of dollars in losses to the Government out of these loans.

During the past 12 years farm prices have been declining. In the meantime the purchasing power of this great agricultural group has also been declining while industrial commodity prices have either held their own or advanced as in the case of wagons and other products referred to a few minutes ago.

During this period, under the Harding, Coolidge, and Hoover administrations, we have also had the greatest undisturbed and unrestricted combining, merging, and price fixing on the part of industries ever in the history of this great Republic. In fact, the Federal Trade Commission, an arm of the Federal Government that was created for the purpose of looking after the interests of the public, has joined with industry in holding what is known as "trade-practice conferences" for the purpose of helping industry work out trade practices, rules, and regulations. In doing business this Commission has even given its endorsement thereto.

We have also had no restrictions on the part of the Government on speculation in farm products, stocks, and bonds, which has been the greatest in the history of this country, all of which has helped to bleed agriculture and the American people white.

In the meantime the international bankers, with what you might term the approval of the Republican administration, have put over on the public 25 billion dollars' worth of worthless securities, stocks, and bonds, mostly foreign.

Farmers, unorganized, the only class of citizens in the United States today still operating their business on an independent, individual basis, have not been able to protect themselves or bring about any bargaining power in buying and selling. In other words, this great group of people who feed and clothe the world have been absolutely at the mercy of speculators and the handlers and manufacturers of farm products.

Now, during this period what has happened? Farmers, not being able to pay actual expenses, taxes, fixed prices on what they had to buy, ranging from 50 to 200 percent above the prices of farm products, in trying to keep up the American standard of living have gradually mortgaged their capital resources at high rates of interest, until today they have lost their paying ability as well as to their purchasing power. In the meantime millions of good, honest, hard-working farmers are facing bankruptcy; and unless something is done to bring about a fair price for that which they produce they will be forced into tenant homes and breadlines. In other words, farmers have been bled white, and these various organized and well-protected parasites which have been bleeding agriculture, along with legitimate business, are falling by the wayside and unemployment has increased into the millions.

DECLARATION OF POLICY

(P. 2)

SEC. 2. It is hereby declared to be the policy of Congress—

(1) To establish and maintain such balance between the production and consumption of agricultural commodities, and such marketing conditions therefor, as will reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the pre-war period, August 1909–July 1914; and

(2) To approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as is deemed feasible in view of the current consumptive demand in domestic and foreign markets.

(3) To protect the consumers' interest by readjusting farm production at such level as will not increase the percentage of the consumers' retail expenditures for agricultural commodities, or products derived therefrom, which is returned to the farmer, above the percentage which was returned to the farmer in the pre-war period, August 1909–July 1914.

TITLE I.—COTTON OPTION PLAN

KNOWN AS THE "SMITH PLAN"

SEC. 3. The Federal Farm Board and all departments and other agencies of the Government are hereby directed—

(a) To sell to the Secretary of Agriculture at such price as may be agreed upon all cotton now owned by them.

(b). To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced by any department or agency of the United States or held as collateral for loans or advances, and to make final settlement of such loans and advances upon such terms as may be deemed advisable, in the judgment of the Secretary and the Department or agency involved; and to sell this cotton also to the Secretary in the same manner as is provided in the preceding paragraph hereof.

The Secretary of Agriculture is hereby authorized to purchase the cotton specified in paragraphs (a) and (b).

The Federal Farm Board holds liens covering loans made to Cotton Cooperative Associations on 1,600,000 bales of cotton, which is practically under the control and subject to the Board's call for payment of these loans. The Secretary holds under his control about 800,000 bales of cotton pledged against seed loans by southern cotton farmers. This makes a total of 2,400,000 bales, which is proposed under the bill to be purchased by the Secretary of Agriculture at an agreed price and pooled for the purpose of using same in carrying out the provisions of the cotton-option contract plan known as "Senator SMITH'S farm-relief plan."

FINANCING

(P. 3, sec. 4)

SEC. 4. The Secretary of Agriculture shall have authority to borrow money upon all cotton in his possession or control and deposit as collateral for such loans the warehouse receipts for such cotton.

The opponents of this plan have put out a lot of propaganda about the Government's borrowing money to take over this cotton for the purposes under the Smith plan. They do not tell you, however, that the money thus borrowed by the Government simply means that it will be returned to the Government in paying off the liens for loans on this cotton by the Federal Farm Board, which is a part of the Government. In the meantime, they do not explain to you that the seed-loan obligations for which cotton in the hands of the Secretary of Agriculture is pledged are for money furnished by the Government. In other words, there is no difference, as far as the Government is concerned, whether this cotton remains in the hands of the Government as it now stands or is taken over, according to the purpose of this bill.

FINANCING LOANS

(P. 3, sec. 5)

SEC. 5. The Reconstruction Finance Corporation is hereby authorized and directed to advance money and to make loans to the Secretary of Agriculture to acquire such cotton and to pay the carrying costs thereon, in such amounts and upon such terms as may be agreed upon by the Secretary and the Reconstruction Finance Corporation, with such warehouse receipts as collateral security.

This is simply a business transaction, whereby the Reconstruction Finance Corporation is empowered to make loans on cotton warehouse receipts to the Secretary of Agriculture. I am sure that a loan of this type secured by warehouse receipts covering cotton will prove to be one of the best loans made by the Reconstruction Finance Corporation. In the meantime, what difference does it make? The cotton belongs to the Government, and the Reconstruction Finance Corporation is a Government activity. In other words, the Government is responsible for loans made by this corporation.

CONTRACT PROVISION

(P. 4, sec. 6)

SEC. 6. (a) The Secretary of Agriculture is hereby authorized to enter into contracts with the producers of cotton to sell to any such producer an amount of cotton equivalent in amount to the amount of reduction in production of cotton by such producer below the amount produced by him in the preceding crop year, in all cases where such producer agrees in writing to reduce the amount of cotton produced by him in 1933, below his production in the previous year, by not less than 30 percent, without increase in commercial fertilization per acre.

A CONCRETE EXAMPLE

Suppose I, as a cotton farmer, planted 150 acres of cotton in 1932 and produced thereon 100 bales of cotton. To come in under this plan, which is voluntary on my part, I enter into a contract with the Secretary agreeing that I will reduce my 1933 production 30 percent, or from 100 bales to 70 bales. The Secretary, on his part, on the strength of my cotton agreement, sells to me, on credit, a sufficient number of bales of cotton from the pool to make up for my reduction, or, in this instance, 30 bales.

TYPE OF CONTRACT

(P. 4, subdivision (b))

(b) To any such producer so agreeing to reduce production the Secretary of Agriculture shall deliver a nontransferable-option contract agreeing to sell to said producer an amount equivalent to the amount of his agreed reduction of the cotton in the possession and control of the Secretary.

The contract is made nontransferable so as to keep down any speculating in the contracts. The contract is also made optional on the part of the farmer, so as not to involve the farmer should the contract not prove to be of value to him at the time for delivery of the cotton, or when the cotton is sold. In other words, if farmers who do not enter into agreement under this plan proceed to increase their production, which they could, to the extent of replacing the reduction on the part of the farmers who enter into contracts; or if on account of a good cotton season and no bollweevils, farmers should make a normal crop, or perhaps increase the total yield over 1932, which would naturally keep down any increase in price—in fact, it may reduce the price next fall—why certainly farmers would not want to take these contracts, and neither would they be able to do so.

Immediately on reading this section we have the opponents of the bill making the statement that this will simply leave the Government holding the bag. May I state again that the Government would not be in any worse condition if this happens than it is at this time, because the Government is now holding the bag. In other words, the Government has nothing to lose, but the plan may prove helpful to the Government and to farmers, which would be helpful to every other line of business.

(P. 5, lines 12 to 18)

That such agreement to curtail cotton production shall contain a further provision that such cotton producer shall not use the land taken out of cotton production for the production for sale, directly or indirectly, of any other nationally produced agricultural commodity or product.

Naturally, we of the South have a right, from a selfish viewpoint, to kick about this provision. However, it is absolutely fair, if we are going to try and help agriculture from a national and not a sectional viewpoint. This provision does not prevent my people from growing various crops for food and feed purposes, or for sowing cover crops for the purpose of building up our lands.

DISPOSITION OF COTTON

(P. 7, sec. 7)

SEC. 7. The Secretary shall sell the cotton held by him at his discretion, but subject to the foregoing provisions: *Provided*, That he shall dispose of all cotton held by him by March 1, 1935: *Provided further*, That he is authorized to sell unlimited amounts at any time a price equivalent to not less than 10 cents, basis middling, ⅞-inch staple, at the ports can be procured.

Under this provision the Secretary can dispose of the cotton at his discretion, however subject to the provisions governing contracts and sales to farmers. In the meantime, if farmers fail to make contracts, or refuse to carry out their contracts, then the Secretary is directed to sell all of this cotton not later than 1935. In the meantime, if farmers have entered into contracts for this cotton, or if they fail to make contracts, the Secretary is directed to sell this cotton if and when it reaches 10 cents per pound. When this cotton is finally disposed of either by sale under contracts, at 10 cents per pound, or by 1935, as proposed in section 7, the Government will then be out of the cotton business.

It is also true under this arrangement the cotton trade will know just what is intended on the part of the Secretary in disposing of this cotton, and would be able to govern their business accordingly.

TITLE II.—AGRICULTURAL ADJUSTMENT PROVISIONS

GENERAL POWERS

SEC. 8. In order to effectuate the declared policy, the Secretary of Agriculture shall have power—

(1) To provide for reduction in the acreage or reduction in the production for market, or both, of any basic agricultural commodity, through agreements with producers or by other voluntary methods, and to provide for rental or benefit payments in connection therewith in such amounts as the Secretary deems fair and reasonable, to be paid out of any moneys available for such payments.

This section embodies the domestic allotment, as introduced by me last year, and also the rental-basis plan. Here we give very large powers to the Secretary of Agriculture, which will enable him to use either plan, and under such rules and regulations as are approved by the President of the United States, in making contracts with farmers for reduction of production, giving farmers real cash inducements to be paid out of the tax or adjustment charge collected from the processor or manufacturer. This tax or adjustment charge is to be passed on to the consumers by the processor or manufacturer, as in the case of all tariffs.

We simply propose, under the domestic-allotment plan, to place farmers in the tariff picture by paying them a bounty or an adjustment charge that will bring farm prices in line with the prices that farmers pay for the things that they buy. We propose to place farmers on the American standard

of living with protected industries and American labor. Can there be anything unfair about that?

CONCRETE EXAMPLE UNDER THE DOMESTIC-ALLOTMENT PLAN

Any farmer, who, on his own volition, enters into an agreement with the Secretary to reduce his production, we will say, 20 percent, and is able to prove that he has carried out his agreement, will be paid the processing tax or adjustment charge collected by the processor, less the expense of administering the act, on that portion of his total production consumed in the United States.

Any farmer who wants to continue his independent system of farming would not come under any of the provisions of the bill; neither would he receive any of its benefits. This plan does not disturb the well-established rules and regulations in doing business up until the cotton passes into the hands of the processor or manufacturer.

It is a well-known fact that the manufacturers do not care anything about the Smith plan; it is simply a move on their part to defeat the domestic-allotment and rental plan, which will really help agriculture. The Smith plan certainly cannot do any harm; but, although the plan sounds good, I have little faith in it, especially at this late hour.

CONCRETE EXAMPLE AS APPLIED TO COTTON

A farmer who produced 100 bales of cotton in 1932 would enter into an agreement with the Secretary to reduce his 1933 production, we will say, 20 percent, or from 100 bales to 80 bales. On account of this agreement and proof of same, this farmer will be issued a certificate, or perhaps his benefits would be divided into two certificates payable at different dates, for the amount of the tax or adjustment charge as placed on cotton by the Secretary and collected from the manufacturers of cotton.

Any farmer who desires to continue his farming operations, independently planting what he pleases and producing as much as he pleases, as already stated, would be at liberty to do so, but he would not receive any benefits under the bill from the tax or adjustment-charge fund. He would, however, participate in any increase in the world price that might be brought about on account of any reduction in production.

Suppose the bill is passed, and put into operation, say in April, and we find next fall when farmers are selling their cotton that the world price is 7 cents per pound.

The farmer who came in under the act would sell his 80 bales of cotton, as usual, on the open competitive market at the world basis price, 7 cents. The farmer who did not come in would do likewise, receiving the same 7 cents per pound.

The records of the farmer who came in would show the following:

80 bales cotton at 7 cents, or $35 per bale	$2,800
Tax on 40 bales consumed in the United States, with a tax of 6 cents—40 bales cotton at 6 cents, or $30 per bale	1,200
Total received for cotton	4,000

The farmer who did not come in under the plan would have the following records: 100 bales cotton at 7 cents, or $35 per bale, $3,500, or $500 less than the farmer who came in, and he would be out of the picture.

In the meantime the farmer who came in would be able to save a fertilizer bill on his abandoned acreage of $8 per acre, amounting to about $400. He would also save the expense of cultivating, picking, and ginning, say, $200. In the meantime he would be permitted to grow food or feed crops on the abandoned acreage or sow corn crops to improve his lands. On the other hand, the farmer who did not come in would have to deduct the additional fertilizer bills of $400 and the $200 as referred to from the total amount received, which would net $2,900.

In the meantime we are working down the surplus, thereby increasing the world price, which, when the world price reaches 13 cents, the bill will become inoperative.

We hear much about the army of employees and the police force that will have to be employed to carry out the purposes of the bill. Why, up and until the cotton passes into the hands of the processor or manufacturer it will be very simple. With the county agents and with the licensing of ginners and with gin reporters which the Federal Government, now has in every cotton county in the State, the employment problem in the State is practically solved.

If Mr. Smith, who came in, gins more than his 80 bales, he could not prove his claim and would not receive any benefits under the bill. You state that he could still produce 100 bales and let Mr. Jones, who did not come in, gin and sell same. That is true, but he would not participate in any benefits under the bill on the cotton sold through Jones, who did not come in.

Why, he can do the same thing under the Smith plan, and he can do the same thing under the rental plan also. Well, you state, if this is true, there is a possibility of farmers defeating the whole scheme. I agree with you, and so stated when the bill passed the House. However, with the powers given the Secretary and on account of the deplorable condition of cotton farmers, I believe farmers, bankers, and merchants will all cooperate.

On the other hand, if we do not put into operation these various plans, farmers realize that at these low prices for cotton they will have to increase their production so as to obtain their total volume of dollars, hoping to be able to balance their budget. In the meantime, suppose the production is increased by those who do not come in or on account of good cotton-growing seasons and no bollweevils, which would naturally reduce the world price next fall. Under this condition, you will find that farmers will not call for their optional contracts under the Smith plan, and will therefore be in the same class with farmers who did not come in. However, those who come in under the domestic allotment plan would receive their portion of the adjustment charge regardless of the world price. This would also apply under the rental basis. I am ready to state here and now if the Secretary is given the power as contained in the bill as passed by the House and if manufacturers will join in with the Secretary and the President in properly administering the bill you will see a different picture in the agricultural situation 12 months from now.

MARKETING AGREEMENTS

(P. 6, subsec. (2))

(2) To enter into marketing agreements with processors, associations of producers, and other agencies engaged in the handling, in the current of interstate or foreign commerce, of any agricultural commodity or product thereof, after due notice and opportunity for hearing to interested parties. For the purpose of carrying out any such agreement the parties thereto shall be eligible for loans from the Reconstruction Finance Corporation under section 5 of the Reconstruction Finance Corporation Act. Such loans shall not be in excess of such amounts as may be authorized by the agreements and shall bear interest at a rate not in excess of 3 percent per annum.

I agree with the opponents of the bill that this is giving the Secretary very large powers; but at this time when farmers are losing their farms and, along with millions of unemployed consumers, going into breadlines, thereby costing the Government millions in relief funds, which is just like putting that many millions in a rat hole unless agriculture is rehabilitated, do you not think it is time to give this power to the Secretary and the President?

It is a known fact today that the trouble with agriculture and the unemployed consuming public is that both groups are at the mercy of middlemen, the handlers of farm products, and the manufacturers or processors of farm products. We need more than anything else at this time a real up-to-date grading and marketing system. We need a better distributing system from the county, State, and up through centralized marketing markets. This, no doubt, would eliminate thousands of parasites operating between producers and consumers, who today are sapping the very lifeblood out of these two groups.

These middlemen know this, and they are the ones who are opposing this legislation. They know that farmers cannot organize and do these things, and naturally they do not want the Government to help farmers and consumers do that which they cannot do for themselves.

These middlemen, millers, and manufacturers are organized and have their trade practices and rules in doing business, whereby they can fix prices going and coming.

Mr. Clayton, of Anderson, Clayton & Co., the largest cotton dealers in the world, who are able to put cotton up or down at will, thereby making millions at the expense of cotton producers, is fighting this bill to the last ditch. His paid lobbyists can be seen daily in the Capitol and the committee rooms where farm legislation is being considered. Mr. Clayton makes this statement:

The President's farm bill is not for the whole people.

Absurd!

Mr. Clayton also states:

It is a tax on all who buy food and clothing to provide funds to reward farmers for producing less food and clothing.

Yet he states he is for the Smith plan. The sole purpose of the Smith plan is to reduce production of cotton, which means clothing. However, it is a known fact that he is for the Smith plan only to defeat real farm-relief legislation.

He states:

City dwellers buy all their food and clothing, for they cannot grow these things like farmers, and that they would have to pay the tax.

Prior to the war, when cotton was selling for 13 cents per pound, and wheat over a dollar per bushel, city dwellers and that great army of now unemployed wage earners were able to buy these things. Now that farm products are selling below the cost of production, the purchasing power of the farmers is gone. What is happening to city dwellers and the wage earners that Mr. Clayton has so much real (?) sympathy for? They are unemployed, unhappy, and many of them are filling untimely graves. Yet if we will leave the farmer and the agricultural solution alone, as Mr. Clayton and his cohorts would have the President and the Congress do, he would be content and happy. He realizes that, to defeat the President's farm-relief program, he would be permitted to follow in footprints of Kreuger and Insull in trying to reach the point where he would be able to direct the world's cotton buyers. He states:

This bill will wreck the Democratic Party.

Mr. Clayton is of very short memory. Certainly he should remember that the Republican Party was wrecked in following his advice as well as the advice of big businesses, international bankers, and the speculative interests of this country. If what the President has been trying to do since March 4 wrecks the Democratic Party, I am willing to go down in the midst of the wreck. I find also that the American people are satisfied with what the President is doing and is trying to do. It is only international bankers and speculators of whom Mr. Clayton is chief, on account of their own selfish interests, who are kicking about what the President is doing. Mr. Clayton states the Secretary and the President (including myself, I suppose, because I introduced the bill) did not stop at pleasing the self-styled "farm lobby", who asked for a processor's tax, but that we also gave to farmers an option to contract for certain cotton in the hands of the Secretary to satisfy farmers with a gamble on the cotton market instead of a cash benefit from the proceeds of the taxes.

The biggest gang of lobbyists that has ever infested the Halls of Congress and Washington since I have been a Member of Congress has been here during this session, representing processors, manufacturers, cotton merchants, and speculators.

It is high time that the Congress assist President Roosevelt in teaching this selfish interest, these dictators of government and controllers of the farmers' prices, a few things. The "forgotten man", which includes agriculture, will remain forgotten unless we assist the President to put into action his "new deal."

It is amazing to see how interested these "birds" are in farmers, consumers, and wage earners when we would pass legislation that would be helpful to farmers, consumers, and wage earners. Why, they tell you what this bill will do to farmers, consumers, and wage earners. When did farmers ask their price fixers to come to Washington to look after their interests? May I state that the Republican administration, for the past 12 years, have accepted the advice and testimony of these wolves coming to Washington, dressed in sheep's clothing, claiming that their interest is in the farmer, consumer, and wage earner. However, their deceitful testimony and selfish purpose will not fit in with the people's President, Mr. Franklin D. Roosevelt's "new deal."

I hope that Members will write Anderson, Clayton & Co., Houston, Tex., and secure a copy of the propaganda mailed out by him on March 20 referred to by me. It is the most ridiculous, unfair, and unsound argument ever sent out through the United States mails.

Fred J. Lingham, chairman committee on legislation, Millers National Federation, representing 75 percent of all flour mills in the United States, a paid lobbyist for the organization, residing here in Washington, has been one of the main spokesmen for farmers, consumers, and wage earners. However, when he was asked to explain to the Agricultural Committee of the Senate what entered into the difference between the price of 20 cents per bushel of wheat received by the farmer, which amounts to $1 for 5 bushels of wheat that it takes to produce a barrel of flour, which his mill sold to the retail trade at $5.05 per barrel, he stated that it was a rather complicated proposition and it would be rather hard for him to explain.

Later on, I am going to tell you how the Secretary and the President will be able, under this bill, to look into Mr. Lingham's dealings and get this information.

I should be glad if those who are opposing this legislation, and the President's program, would think about this costly gap between the farmer and the consumer, $1 for 5 bushels of wheat to the farmer, and $5.05 for the barrel of flour that comes out of this 5 bushels of wheat, to say nothing about the bran and shorts the miller gets out of these 5 bushels and the retail price finally paid by the actual consumer.

Mr. Lingham also mailed out a long "open letter" as he called it, in which he seemed to be interested only in the welfare of the farmer, consumer, and wage earner.

LICENSING PROCESSORS, MANUFACTURERS, AND OTHER AGENCIES

3. To issue licenses permitting processors, associations of producers, and other agencies to engage in the handling, in the current of interstate or foreign commerce, of any basic agricultural commodity or product thereof, or any competing agricultural commodity or product thereof. Such licenses shall be subject to such terms and conditions, not in conflict with existing acts of Congress or regulations pursuant thereto, as may be necessary to eliminate unfair practices or charges that prevent or tend to prevent the effectuation of the declared policy and the restoration of normal economic conditions in the marketing of such commodities or products and the financing thereof. The Secretary of Agriculture may suspend or revoke any such license, after due notice and opportunity for hearing, for violations of the terms or conditions thereof. Any agency engaged in such handling without a license as required by the Secretary under this section shall be subject to a fine of not more than $1,000 for each day during which the violation continues.

(4) To require any licensee under this section to furnish such reports as to quantities of agricultural commodities or products thereof bought and sold and the prices thereof, and as to trade practices and charges, and to keep such systems of accounts, as may be necessary for the purpose of this act.

This is the most important feature in the bill and is the thing that is worrying the opponents.

I say frankly that unless this is carried in the bill, and unless the Secretary secures the services of men to administer this act who cannot be controlled by the millers

and manufacturers, the bill will not be worth the paper that it is written on.

The handlers of farm products and the processors of farm products object to this on the ground that the Secretary, who, by the way, is under the President, would be able to regulate business. I am sure that the Secretary and the President are not concerned about doing any harm to the business of these handlers of and processors of farm products. If they will conduct their business on a fair basis, the Secretary will not have to use the licensing feature of this bill.

I warn you now if this section goes out—these people being able to combine, monopolize, and under trade-practice rules, fix and control prices whereby they would be able to take the benefits under this bill away from farmers—that it would be better to kill the bill.

Read the Federal Trade Commission's hearings on their investigation of price fixing by the Southern Cotton Oil Co., Procter & Gamble, owners of the Buckeye Cotton Seed Oil Mills, and Swift & Co., owners of Swift Cotton Seed Mills, and you will get a picture of what I am talking about.

Take the report of the American Tobacco Co. made some days ago, whereby after this corporation had charged out of its profits all expenses, advertising—page advertisements—carried in all the papers and magazines in the country, depreciation, taxes, State income tax, and tobacco taxes, and you will find that this company was able to make a net profit of 25 percent on their large investment, while tobacco farmers are going into tenant homes and breadlines.

I understand that the net incomes of these large tobacco manufacturers amount to more annually than the total amount paid by them for all tobacco produced by tobacco farmers. Why, certainly speculators on the grain, cotton, and stock exchanges do not want the Government to be in a position to inspect or restrict them in their high-handed methods in robbing producers and consumers. Why should any man or set of men be allowed to sit around the cotton exchange, selling and buying among themselves millions of bales of cotton daily—all paper transactions—which governs the price of farmers' actual cotton? Why, when I offered an amendment to a bill some time ago proposing to restrict short selling and place the buyer of cotton on the future market on an equal basis with the seller, whereby the seller could call for actual cotton and grades that he could use in his business, or in his cotton mill, why these same speculators objected, stating that it would destroy the exchange and the farmers' market. Why should international bankers and speculators dealing in securities, stocks, and bonds be allowed to unload on the public worthless securities, stocks, and bonds without any regulations or any restrictions on the part of the Government? That is what has been going on under the Republican administration for the past 12 years. Fifty billion dollars' worth of stocks and bonds, and not worth half the paper they were written on, have been sold and unloaded on the people. A perfectly good bank was closed in my home town, having bought for investment one fourth million dollars' worth of foreign bonds at the advice and insistence of New York bankers. Now, my money and the money of the people of Orangeburg on deposit with this bank is gone.

PROCESSING TAX OR ADJUSTMENT CHARGE

SEC. 9. (a) To raise revenues for the payment of extraordinary expenditures incurred by reason of the national economic emergency there shall be levied, assessed, and collected, during the marketing period (as ascertained and prescribed by regulations of the Secretary of Agriculture), for any basic agricultural commodity with respect to which rental or benefit payments are made under this act, in connection with reductions in the acreage of the crop, or in the production, for market, during such period, a tax to be paid by the processor on the first domestic processing of the commodity, whether of domestic production or imported. Such tax shall, except as hereinafter provided, equal the difference between the current average farm price for the commodity, and the fair exchange value of the commodity. Such value for any commodity shall be the price therefor which will give the commodity the same purchasing power, with respect to articles farmers buy, as during the pre-war period, August 1909–July 1914. The current average farm price and the fair exchange value shall be ascertained by the Secretary of Agriculture from available statistics of the Department of Agriculture.

As previously stated, cotton mills will, if this bill is put into operation under either of the plans, buy cotton as they are doing today, that is when and from whom they please at the world price.

But after this cotton is manufactured, the manufacturer will be required to add the tax or adjustment charge in the amount as named by the Secretary not to exceed the difference between the world price as paid on the open market and the pre-war price during the period of 1909–14.

In other words, under the allotment plan, suppose the world price is 7 cents. The manufacturer, after counting the actual cost of his merchandise, including the cost of cotton—7 cents—manufacturing, and all other expenses incident to his business, then adds the tax and passes same on through his regular channels of business to be paid by the ultimate consumer. Suppose in the first set-up the Secretary calls for a 3-cent tax per pound on cotton. The manufacturer simply adds the 3 cents, which would not amount to much per yard, or per piece, or per actual garment.

All of this hue and cry on the part of the manufacturer that this advance would retard consumption is without foundation. Let us see about this false alarm!

Take a cotton shirt selling today for $1.50; there is less than 7 cents' worth of actual cotton in that shirt. Why, when these "birds" who want to keep the Government out of business, when you try to do something for farmers, come to Washington asking the Government to protect them with a tariff to be levied by the Government and which permits them to collect same out of the consuming public, they give as their excuse for asking for this subsidy, which is costing the public millions annually, that it is to protect labor. They state their expensive machinery, their expensive administrative set-up, and, as stated, on account of the expense of labor they have to have this subsidy to compete with foreign competition. But they do not take into consideration, when we would put agriculture in the picture on the same basis—not at their expense but at the expense of the consumer—that farmers have to sell on an open, unprotected market in competition with foreign countries.

I call your attention to this: In the increased price the manufacturer will not have to buy any additional machinery, no additional administrative forces, no additional laborers, but will just simply have to add the 3-cent tax to the 7 cents' worth of cotton contained in the $1.50 shirt. And if they would be fair or if the middlemen would be fair, the shirt would not cost a dime more than the price now. They tell you, if you advance the price under this bill, that it will retard consumption. Let us see what actually happened the first of last fall, when cotton actually advanced 3 cents a pound, the same amount that I would put on cotton in the first instance if I were to administer the bill.

The opponents of this bill state that if we advance the prices of farm products it will retard consumption and thereby ruin business. Let us see if this is true. About the 1st of August, 1932, cotton was selling at 6 cents per pound. For no other reason than speculative, as far as I am concerned, prices began to rise until it reached a 3-cent per-pound advance around the 3d of September. Prices then began to decline until November 30 and returned to 6 cents. Take a look at these figures:

Cotton—Price middling spot, 1932

	Cents
July 30	6
Aug. 15	7
Aug. 30	7½
Sept. 3	9
Sept. 10	8
Sept. 24	7½
Oct. 8	7
Oct. 29	6½
Nov. 26	6

FIGURES SPEAK LOUDER THAN WORDS

I am going to insert at this point monthly business statistics, prepared for me by the Department of Commerce, which clearly and unquestionably give to you the trend of all lines of business during the advance and decline in price of the cotton referred to.

Series	Unit	July	August	September	October	November
Business activity (annalist)	Computed normal=100	52	55.5	60.4	60	59.9
Industrial products (F.R.B.), unadjusted	1923–25=100	56	59	67	68	65
Textiles (F.R.B.), unadjusted	do	64	86	104	102	96
Distribution:						
Freight-car loadings (average weekly.)	1,000 cars	484,400	516,270	561,150	631,621	548,802
Department-store sales, unadjusted	Monthly average, 1923–25=100	47	50	73	77	73
Mail-order sales	$1,000	32,073	33,777	39,156	45,423	41,281
Newspaper advertising (52 cities)	1,000 lines	80,871	78,839	93,003	103,323	94,967
Employment: Factory (F.R.B.) unadjusted	1923–25=100	57.2	58.6	61.5	62 0	61.4
Pay rolls: Factory (F.R.B.) unadjusted	do	39.6	40.1	42.1	43.8	42.3
Finance:						
Commercial failures:						
Number		2,596	2,796	2,182	2,273	2,073
Liabilities	$1,000	87,190	77,031	56,128	52,870	53,621
Security prices:						
Domestic bonds (Dow-Jones)	Percent of par value of 4-percent bond.	42.98	53.35	55.01	49.86	47.51
Stocks (Standard Statistics)	1926=100	35.9	53.3	56.2	49.9	47.5
Cement	1,000 barrels	7,689	7,835	8,210	7,939	6,462
Cotton consumption	1,000 bales	279	403	492	503	504
Cotton textiles	1,000 yards	35,418	45,195	56,991	63,277	62,264
Carded sales yarn (weekly average)	1,000 pounds	1,400	1,798	2,534	2,885	2,531
Silk (deliveries)	Bales	38,382	59,905	59,694	53,703	43,955
Pig iron	1,000 long tons	572	531	593	645	631
Steel ingots	do	793	832	976	1,069	1,015
Tin (deliveries)	Long tons	2,265	2,585	2,680	3,130	3,240
Lumber (weekly average)	1928–31=100	36.1	38	39.1	43.5	39.7
Machine tools (shipments)	1922–24=100	27	30	43	45	29
Paper-board shipping boxes	1,000 square feet	399,160	436,358	477,032	508,182	409,736
Anthracite	1,000 short tons	3,021	3,465	4,108	5,234	4,260
Bituminous	do	17,857	22,489	26,314	32,677	30,634

Oh, they say under the bill it would be an artificial advance, while the actual facts referred to last fall were brought about on account of supply and demand.

The advance last fall was not brought about on account of actual supply and demand. It was purely a speculative transaction and I would love to know how much Brother Clayton made out of that rise and decline in price. We had as much surplus when the price commenced to advance as we have now. If it was because of supply and demand, why did not the increased price hold? You will note from the figures submitted by the Department of Commerce, when cotton began to advance every line of business began to improve. Employment began to pick up, failures began to decline; department-store sales increased 40 percent. Why? The purchasing power of farmers was increased, and that is what this bill proposes to do, and this will have to happen before the wheels of industry will begin to turn; put the unemployed to work and bring back normal prosperity.

SECRETARY'S POWER TO HOLD MEETINGS

(Sec. (B), p. 8)

(b) If the Secretary of Agriculture, after investigation and due notice and opportunity for hearing to interested parties, finds at any time that the imposition of the tax at the rate hereinbefore provided has resulted or is likely to result in a substantial reduction in the quantity of the commodity or products thereof domestically consumed, he shall fix such lower rate as is necessary to maintain or restore such domestic consumption. Such rate may be revised from time to time pursuant to further findings under this subsection. In making any such finding the Secretary shall give due consideration to the following factors among others:

(1) Reports as to wage scales, employment, and unemployment in urban regions.

(2) Changes in the consumption of the agricultural commodity and of other commodities.

(3) Evidence derived from statistical studies of supply and demand for previous periods, which indicate the change in consumption of the commodity which would normally occur in consequence of a particular change in the cost to processors or consumers.

(4) Other relevant data as to changes in the cost of living of consumers, consumers' buying habits, and current and prospective conditions in industry pertinent to determining the probable effective demand for the commodity.

I understand that the Senate Committee has stricken this from the bill. If those who oppose the bill were really for the bill, they would certainly want subsection (b) to remain in the bill. What could be more fair to handlers and manufacturers of farm products than this section? The Secretary is to investigate, give notice to all interested parties, hold hearings if he desires, and so forth.

Certainly, if the Secretary should find that 3 cents per pound on cotton is or would operate against the interests of all concerned, retarding consumption, he should have the right to retain same.

On the other hand, if the 3-cent set-up would tend to restore the purchasing power of farmers and business should increase, which would permit a second set-up of 2 cents per pound, or the difference between the world price and the pre-war price so as to further restore the purchasing power of farmers and increase business, with this section out of the bill he would be helpless and the purposes of the bill would be defeated. Cutting this section out is another way to make the bill inoperative.

(1) Reports as to wage scales, employment, and unemployment in urban regions.

(2) Changes in the consumption of the agricultural commodity and of other commodities.

(3) Evidence derived from statistical studies of supply and demand for previous periods, which indicate the change in consumption of the commodity which would normally occur in consequence of a particular change in the cost to processors or consumers.

(4) Other relevant data as to changes in the cost of living of consumers, consumers' buying habits, and current and prospective conditions in industry pertinent to determining the probable effective demand for the commodity.

Here we absolutely set forth a policy and call to the attention of the Secretary of Agriculture the various things that might enter into the many reasons why the processing fee should be lowered or advanced.

MISCELLANEOUS

SEC. 10. (a) The Secretary of Agriculture may appoint such officers and employees, subject to the provisions of the Classification Act of 1923 and acts amendatory thereof, and such experts as are necessary to execute the functions vested in him by this act; and the Secretary may make such appointments without regard to the civil service laws or regulations: *Provided*, That no salary in excess of $10,000 per annum shall be paid to any officer, employee, or expert of the Emergency Agricultural Adjustment Administration, which the Secretary shall establish in the Department of Agriculture for the administration of the functions vested in him by this act.

The opponents of the bill state that the Secretary is given unlimited power in putting on an army of workers. I am

willing to trust our President, who will be directly responsible for the expense of administering this legislation.

Suppose it is necessary to put on quite a number of employees. Agriculture is entitled to this consideration. In the meantime it is proposed that the bill will pay its own way and will not take any money out of the Treasury.

STATE AND LOCAL EMPLOYMENT

(Sec. (b), p. 10)

(b) The Secretary of Agriculture is authorized to establish, for the more effective administration of the functions vested in him by this act, State and local committees, or associations of producers, and to permit cooperative associations of producers, when in his judgment they are qualified to do so, to act as agents of their members and patrons in connection with the distribution of rental or benefit payments.

This section does not necessarily contemplate an expensive set-up for the purpose of administering the act within any State, as suggested by the opponents. It is my belief that bankers and merchants, as well as farmers, will be very glad to associate themselves into committees for the purpose of rendering assistance free of charge. We have in all of the cotton States local agencies and county commissioners who can be utilized at a very small expense, when called upon, and only for their actual services. The Extension Service operating in each State—including the county agent, agricultural, and demonstration teachers—are now paid by the Federal Government and the States, and could also be utilized.

I can easily understand how anyone opposing the passage of this legislation could make quite a lot of capital out of the argument that it will take an army of people to administer the act.

REGULATIONS TO BE APPROVED BY THE PRESIDENT

(Sec. (c), p. 10)

(c) The Secretary of Agriculture is authorized, with the approval of the President, to make such regulations with the force and effect of law as may be necessary to carry out the powers vested in him by this act. Any violation of any regulation shall be subject to such penalty, not in excess of $100, as may be provided therein.

Certainly this section should satisfy the minds of those who oppose this legislation on the ground that the Secretary of Agriculture will be a dictator in administering this act. I have heard it said on the part of some of the cotton manufacturers that they would not mind giving the President the powers contained in this bill, but they were absolutely against the Secretary, a Cabinet member, having the powers authorized under the bill.

Section (c) plainly states that the Secretary of Agriculture is authorized to make such regulations with the force and effect of law as may be necessary to carry out the powers vested in him by this act, but with the approval of President Roosevelt.

POWERS DEFINING PROCESSING

(Sec. (d))

(d) The Secretary of the Treasury is authorized to make such regulations as may be necessary to carry out the powers vested in him by this act, including regulations, with the force and effect of law establishing conversion factors for any commodity and article processed therefrom to determine the amount of tax imposed with respect thereto, and defining processing with respect to any commodity.

This section simply gives to the Secretary of the Treasury the right to promulgate rules and regulations in connection with establishing conversion factors for any commodity, and to determine the amount of tax imposed with respect to each type, grade, or product before or after the product has been processed.

(Sec. (e), p. 11)

(e) The action of any officer, employee, or agent in determining the amount of and in making any rental or benefit payment shall not be subject to review by any officer of the Government other than the Secretary of Agriculture or Secretary of the Treasury.

Complaint has been made that under this section we have given the last word to the Secretary of Agriculture and the Secretary of the Treasury in making rental or benefit payments under this act. Taking into consideration the policy governing the act, the various administrative officers or employees, who will pass upon, for instance, the amount of rent to be paid, and under the liberal policy as contained in page 9 given to the Secretary in passing upon the amount of tax or the adjustment charge, it is very apparent that we need give no further consideration to these matters after they have been finally passed upon by the Secretary under rules and regulations approved by the President.

TO PREVENT SPECULATION BY OFFICIALS

(g) No person shall, while acting in any official capacity in the administration of this act, speculate, directly or indirectly, in any agricultural commodity or product thereof, to which this act applies, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this subsection shall upon conviction thereof be fined not more than $10,000 or imprisoned not more than 2 years, or both.

The thing I am fearful of is, if we are successful in passing this legislation, that the opponents, handlers of farm products, the processors and manufacturers of farm products, because of being well organized, with high-paid lobbyists located here in Washington, will be able to persuade the Secretary of Agriculture to let them name the keymen in connection with the administering of the act. This section would at least prevent them from using the information that they would naturally have for the purpose of speculating in farm products. It is my belief, if the Secretary of Agriculture permits these "birds" to name the men to administer this act, it will simply mean that the bill will not be operated in the interest of agriculture, and will most assuredly bring about the defeat of the real purpose of the legislation. Should this happen, we will be permitted to hear the opponents of this bill say, "I told you so."

COMMODITIES

SEC. 11. As used in this act, the term "basic agricultural commodity" means wheat, cotton, corn, hogs, cattle, sheep, rice, tobacco, and milk and its products, and any regional or market classification, type, or grade thereof; but the Secretary of Agriculture shall exclude from the operation of the provisions of this act, during any period, any such commodity or classification, type, or grade thereof if he finds, upon investigation at any time and after due notice and opportunity for hearing to interested parties, that the conditions of production, marketing, and consumption are such that during such period this act cannot be effectively administered to the end of effectuating the declared policy with respect to such commodity or classification, type, or grade thereof.

While in section 11 we have listed the basic agricultural commodities, you will note in this section, page 12 and line 6, that the Secretary of Agriculture will have the right to exclude from the operation of the provisions of this act during any period that the act may be in force any such basic commodity or classification, type, or grade thereof. In other words, we have permitted a number of products to be listed in this legislation; it is not intended that the Secretary of Agriculture shall put each of these commodities into immediate operation or subject to the processing tax. You will note that due notice will be given and hearings of interested parties, growers, and selling agencies, as well as manufacturers will be held. We have had quite a lot of opposition from packers, stating that the bill would not operate as to hogs, and that if hogs are to come under the operation of the bill that it would most assuredly ruin the hog producers as well as packing plants. Certainly, if this is true, the President of the United States, the Secretary of Agriculture, those in charge of administering the act, interested growers, selling agencies, and packers would not put hogs into operation on a satisfactory agreement.

APPROPRIATION

SEC. 12. (a) The proceeds derived from taxes imposed under this act, or so much thereof as may be necessary, are hereby appropriated to be available to the Secretary of Agriculture for rental and benefit payments and administrative expenses, including refunds under this act, personal services in the District of Columbia and elsewhere, contract stenographic reporting services, and printing and paper in addition to allotments under existing law.

Under this section it is proposed to make available sufficient funds to properly administer this act until funds can be collected from the processing tax or adjustment charge. It is my firm belief that inasmuch as a great many farmers will not participate in the domestic-allotment or the rental-basis plan, that inasmuch as we will collect this processing fee or adjustment charge on all farm products that the Secretary brings within the operation of the bill, that we will find that it will not be long before we will have a real surplus out of the receipts of this processing fee or adjustment charge.

We did not hear anyone kicking about appropriating millions of dollars for the purpose of organizing the Reconstruction Finance Corporation, so as to enable this corporation to loan millions to the railroads, on which the corporation has not even received the interest thereon and millions to banks and self-liquidating projects, all of which will be just like putting that much money in a rat hole unless agriculture is properly rehabilitated and fair prices are secured by farmers for farm products.

(Secs. (b) and (c), p. 13)

(b) the Secretary of Agriculture and the Secretary of the Treasury shall jointly estimate from time to time the amounts currently required for such payments and expenses, and the Secretary of the Treasury shall advance to the Secretary of Agriculture the amounts so estimated. The amount of such advance shall be deducted from such funds as subsequently become available under subsection (a).

(c) The Secretary of Agriculture shall transfer to the Treasury Department and is authorized to transfer to other agencies, out of funds available under this section, such sums as are required to pay administrative expenses incurred and refunds made by such department or agencies in the administration of this act.

Subsections (b) and (c) simply outline the proper administrative procedure on the part of the Secretary of Agriculture and the Secretary of the Treasury who shall jointly estimate from time to time the amount of money required in connection with the operation of the bill, the transferring to the Treasury Department and other agencies available funds, as are required to pay administrative expenses, and so forth.

TERMINATION OF ACT

SEC. 13. This act shall cease to be in effect whenever the President finds and proclaims that the national economic emergency in relation to agriculture has been ended; and pending such time the President shall by proclamation terminate with respect to any basic agricultural commodity such provisions of this act as he finds are not requisite to carrying out the declared policy with respect to such commodity. The Secretary of Agriculture shall make such investigations and reports thereon to the President as may be necessary to aid him in executing this section.

This section very plainly indicates that the President has the last word in connection with the operation of the bill, the determining of the end of the present economic emergency, as well as the terminating of the operations of this legislation.

I am surprised at the opponents of this bill, especially Members of Congress, refusing to give to the President these powers in trying to solve the serious agricultural problem, which is, as stated, necessary before we will be able to bring about normal prosperity.

SEPARABILITY OF PROVISIONS

SEC. 14. If any provision of this act is declared unconstitutional, or the applicability thereof to any person, circumstance, or commodity is held invalid the validity of the remainder of this act and the applicability thereof to other persons, circumstances, or commodities shall not be affected thereby.

SUPPLEMENTARY REVENUE PROVISIONS

EXEMPTIONS AND COMPENSATING TAXES

SEC. 15. (a) If the Secretary of Agriculture finds, upon investigation at any time and after due notice and opportunity for hearing to interested parties, that any class of products of any commodity is of such low value compared with the quantity of the commodity used for their manufacture that the imposition of the processing tax would prevent in whole or in large part the use of the commodity in the manufacture of such products and thereby substantially reduce consumption and increase the surplus of the commodity, then the Secretary of Agriculture shall so certify to the Secretary of the Treasury, and the Secretary of the Treasury shall abate or refund any processing tax assessed or paid after the date of such certification with respect to such amount of the commodity as is used in the manufacture of such products.

(Subsec. (b), p. 15)

(b) No tax shall be required to be paid on the processing of any commodity by the producer thereof on his own premises for consumption by his own family, employees, or household; and the Secretary of Agriculture is authorized, by regulations, to exempt producers from the payment of the processing tax with respect to hogs, cattle, sheep, or milk and its products, in cases where the producer's sales of the products resulting from the processing of the commodity do not exceed $100 per annum.

Subsection (b): Under this subsection producers are permitted to process any farm product that comes under the operation of the bill, if same is for the consumption of his own family or his employees, free of tax or adjusted charge. If hogs, cattle, sheep, or butter should come under the operation of the bill, producers of these products would be limited to the sale thereof to an amount of $100 per annum in the open market tax free. I would much prefer having this exemption amount to at least $250 per annum. However, there must be some limitation under the bill, if the same is to operate effectively and fairly to all concerned.

(Subsecs. (c) and (d), p. 15)

(c) Any person delivering any product to any organization for charitable distribution or use shall, if such product or the commodity from which processed, is under this act subject to tax, be entitled to a refund of the amount of any tax paid under this act with respect to such product so delivered.

(d) The Secretary of Agriculture shall ascertain from time to time whether the payment of the processing tax upon any basic agricultural commodity is causing or will cause to the processors thereof disadvantages in competition from competing agricultural commodities by reason of excessive shifts in consumption between such commodities or products thereof. If the Secretary of Agriculture finds, after investigation and due notice and opportunity for hearing to interested parties, that such disadvantages in competition exist, or will exist, he shall proclaim such finding. The Secretary shall specify in this proclamation the competing agricultural commodity and the compensating rate of tax on the processing thereof necessary to prevent such disadvantages in competition. Thereafter there shall be levied, assessed, and collected upon the first domestic processing of such competing agricultural commodity a tax, to be paid by the processor, at the rate specified, until such rate is altered pursuant to a further finding under this section, or the tax or rate thereof on the basic agricultural commodity is altered or terminated. In no case shall the tax imposed upon such competing agricultural commodity exceed that imposed per like unit upon the basic agricultural commodity. The terms "competing agricultural commodity" shall include, among others, rayon, silk, linen, and oleomargarine, and any basic agricultural commodity as to which a tax is not in effect under section 9.

It is agreed that it would be unfair to fix a processing fee or an adjustment charge on any farm product being used for charitable distribution. Under subdivision (d) it appears to me to place the Secretary of Agriculture, in administering this act, in a position, by direction, as contained in this section, so to operate this legislation as to be fair to selling agencies, producers, and processors. In every instance, in connection with the investigation and in putting into operation the various sections of the bill, on the part of the Secretary of Agriculture, we find that the Secretary has been given the power to give due notice of his contemplated actions, and the opportunity is to be given to all parties concerned to be heard. We find under this provision that the Secretary is given power to levy, assess, and collect on competing commodities a tax to be paid by the processor at such rate as will protect the producer, the selling agencies, and the processor handling a basic product under the operation of this bill.

It would be very unfair, for instance, to advance the price of cotton 3 cents or to the full amount it would take to bring the price of cotton up to and on a basis with the pre-war basis prices, and not to place a competing rate for a like amount, for instance, on rayon, silk, linen, and jute. This will not place these competing products at a disadvantage, but will simply place them on the same basis where we find them today, in connection with the world-basis price on cotton.

In other words, if cotton is advanced from 6 to 9 cents and these competing commodities are to remain without

placing a like amount of tax thereon, it will give to the selling agencies and processors of these products a leeway for additional profit to the amount of the adjustment charge on cotton and the opportunity of making further inroads on the cotton industry, which would naturally tend to defeat the very purposes of the bill.

It has been stated by the opponents that the placing of a processing tax or adjustment charge on farm products consumed in the United States would operate against the exporting of farm products and would also give foreign countries an advantage in that they would be privileged to import cotton or cotton products, thereby destroying our manufacturers and selling agencies, as well as the real purpose of the legislation. This is not true, for the reason that we will continue to export as usual, on a world-basis price, on which there will be no tax or adjustment charge collected or paid by the processor or exporter. In the meantime any manufacturer or selling agency in foreign countries importing these products will be subject to a like amount of tax.

FLOOR STOCKS

(Pp. 17 and 18)

SEC. 16. (a) Upon the sale or other disposition of any article processed wholly or in chief value from any commodity with respect to which a processing tax is to be levied, that on the date the tax first takes effect or wholly terminates with respect to the commodity, is held for sale or other disposition (including articles in transit) by any person other than a consumer or a person engaged solely in retail trade, there shall be made a tax adjustment as follows:

(1) Whenever the processing tax first takes effect, there shall be levied, assessed, and collected a tax to be paid by such person equivalent to the amount of the processing tax which would be payable with respect to the commodity from which processed if the processing had occurred on such date.

(2) Whenever the processing tax is wholly terminated, there shall be refunded to such person a sum (or if it has not been paid, the tax shall be abated) in an amount equivalent to the processing tax with respect to the commodity from which processed.

(b) Notwithstanding the provisions of subsection (a), such subsection shall apply with respect to such portion of retail stocks on hand at the date the processing tax takes effect, as is not sold or otherwise disposed of for consumption within 1 month and after such date.

Section 16, with its subsections (a), 1 and 2, apparently is very clear and needs no explanation. Subsection (b) very definitely states, notwithstanding the provisions of subsection (a), that these subsections shall apply only to such portion of retail stocks on hand the day the processing tax takes effect, as is not sold by the retailer within 1 month after such date. This will give due notice to all retailers, selling agencies, bakers, and so forth, that it will be useless for them to take on large stocks of manufactured goods or farm products that will come under the operations of this bill hoping to escape paying the process tax or adjustment charge thereon.

EXPORTATIONS

SEC. 17. (a) Upon the exportation to any foreign country (including the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam) of any product with respect to which a tax has been paid under this act, or of any product processed wholly or in chief value from a commodity with respect to which a tax has been paid under this act, the exporter thereof shall be entitled at the time of exportation to a refund of the amount of such tax.

(b) Upon the giving of bond satisfactory to the Secretary of the Treasury for the faithful observance of the provisions of this act requiring the payment of taxes, any person shall be entitled, without payment of the tax, to process for such exportation any commodity with respect to which a tax is imposed by this act, or to hold for such exportation any article processed wholly or in chief value therefrom.

EXISTING CONTRACTS

SEC. 18. (a) If (1) any processor, jobber, or wholesaler has, prior to the date of approval of this act, made a bona fide contract of sale for delivery after such date of any article in respect of which a tax is imposed under this act, and if (2) such contract does not permit the addition to the amount to be paid thereunder of the whole of such tax, then (unless the contract prohibits such addition) the vendee shall pay so much of the tax as is not permitted to be added to the contract price.

(b) Taxes payable by the vendee shall be paid to the vendor at the time the sale is consummated and shall be collected and paid to the United States by the vendor in the same manner as other taxes under this act. In case of failure or refusal by the vendee to pay such taxes to the vendor, the vendor shall report the facts to the Commissioner of Internal Revenue, who shall cause collections of such taxes to be made from the vendee.

This section applies to contracts on the part of the manufacturer, jobber, or wholesaler to selling agencies or retailers prior to the date of the approval of this act, which clearly states how and from whom the taxes shall be collected. However, in each instance manufacturers, jobbers, wholesalers, selling agencies, or retailers should not be disturbed for any tax paid by either or any of them will be passed on to the ultimate consumer; they will only be operating as collecting agencies for Uncle Sam under the law.

COLLECTION OF TAXES

SEC. 19. (a) The taxes provided in this act shall be collected by the Bureau of Internal Revenue under the direction of the Secretary of the Treasury. Such taxes shall be paid into the Treasury of the United States.

(b) All provisions of law, including penalties, applicable with respect to the taxes imposed by section 600 of the Revenue Act of 1926, and the provisions of section 626 of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this act, be applicable in respect of taxes imposed by this act: *Provided*, That the Secretary of the Treasury is authorized to permit postponement, for a period not exceeding 60 days, of the payment of taxes covered by any return under this act.

(c) In order that the payment of taxes under this act may not impose any immediate undue financial burden upon processors, any processor subject to such taxes shall be eligible for loans from the Reconstruction Finance Corporation under section 5 of the Reconstruction Finance Corporation Act.

You will note from section 19 that the process tax or adjustment charge shall be collected by the Bureau of Internal Revenue as all other Federal taxes are collected.

It is my belief that the opponents of this legislation who state that, in the collecting of these taxes there will be required an army of employees, is wrong. The Bureau of Internal Revenue has all the necessary machinery and employees, except in a very few instances to carry out successfully the provisions of the bill in the collections of these taxes.

Under subsection (b) you will note that the Secretary of the Treasury is authorized to postpone for a period, not exceeding 60 days, the payment of the processing tax or adjustment charge, which will enable manufacturers and others paying this tax to collect it in connection with their sale before payment of same.

Under subsection (c) manufacturers and payers of this tax are given further relief whereby they are permitted to borrow from the Reconstruction Finance Corporation for the purpose of paying these taxes, which are to be used in paying benefits to farmers under the allotment or rental basis plan contained in the bill.

I want it understood that I am whole-heartedly behind this legislation, for the reason that out of my experience, having been engaged in a large supply business, buying and selling farm products, as well as being actively engaged in large farming operations, it is my belief that if, as stated, the proper men are selected to administer the act, and if manufacturers and producers will join in whole-heartedly with the Secretary of Agriculture and the President of the United States in administering this legislation, that the months will not be many before the purchasing power of that large farm group of people will be restored and general business, as well as employment, will be much improved.

I have no patience with any Member of the House or Senate who would retard the passage of the President's program, for the reason that perhaps he is interested in some pet scheme of his own or because of the propaganda that is being put out against this legislation by the opponents of the bill.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by inserting a published letter on farm legislation.

Mr. BACON. Mr. Speaker, reserving the right to object, who wrote the letter?

Mr. MARTIN of Colorado. If I may have half a minute, I can inform the House.

Mr. CLARKE of New York. Mr. Speaker, I object, if necessary, to stop this "stuff" going in. We have too much farm-relief bunk in the RECORD already.

THE VALUE OF AGRICULTURAL RESEARCH

Mr. MONTET. Mr. Speaker, I ask unanimous consent to extend my remarks on the value of agricultural research.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MONTET. Mr. Speaker, the current depression has caused greater shrinkage in demand for farm commodities, in farm-commodity prices, and in farm incomes than any other decline recorded in the last 70 years. This is particularly true with reference to the more expensive commodities. The consumption of the cheaper agricultural commodities has remained practically unchanged, but the prices of all commodities have fallen. The depression has again demonstrated the whole truth that it takes purchasing power, as well as consumption, to keep prices up.

The price slump is not solely due to general agricultural expansion. It can be attributed in part to the fact that production did not fall so rapidly as demand; thus the agricultural reaction to the depression was markedly different from the industrial reaction. The farm production of 1931 was about the same as it was in 1928, whereas the production of nonagricultural commodities was nearly 50 percent less. This cannot be said in criticism of our farmers, as farm production cannot be adjusted quickly to changes in demand, and this necessarily operates to the disadvantage of the individual farmer. It makes agriculture the great shock absorber and stabilizing influence in hard times. Sustained farm production, though it helps to force prices down, makes life easier for wage earners who are fortunate enough to have earnings, and, of course, it is necessity and not philanthropy that obliges agriculture to fill this role. Nevertheless agriculture does so to the substantial benefit of the community, and this should be remembered when farmers ask public support for agricultural-relief measures.

From August 1929 to August 1932 prices of all groups of farm commodities at the farm declined nearly 60 percent; wheat dropped 65 percent, cotton 64 percent, wool 74 percent, and hogs 60 percent. In the same period nonagricultural prices at wholesale declined 24 percent. In other words, farm-commodity purchasing power is little more than half what it was before the war.

The farmers' gross income in 1931 was $5,955,000,000 compared with $9,403,000,000 in 1930 and $11,950,000,000 in 1929. This represents a decline of some 50 percent in 2 years. Before the war field crops yielded greater returns than livestock, but since 1921 livestock has forged ahead of field crops. This is probably true because of the fact that livestock enterprises rest more broadly on the home market, and this may forecast greater stability for American agriculture. At the present time the farmers' net income has been reduced to practically nothing, and besides the farmers have had little relief from interest and taxes. Farm real-estate values have continued to fall in all parts of the country. Their financial security as well as their standard of living has been impaired. The total farm-mortgage debt in the United States increased from $3,300,000,000 in 1910 to $9,500,000,000 in 1928. In 1930 the interest charges on this indebtedness amounted to some $600,000,000, and since 1928 an increasing number of farms have been mortgaged. The 1930 census shows 42 percent of all owner-operated farms as mortgaged. Foreclosures on these mortgages have become all too prevalent. They are breaking down the morale of our farmers to the detriment of debtors, creditors, and the Nation as well. Most of the burdens of this indebtedness have increased from forces largely outside the farmer's control. The salvation of our farmers out of their present predicament has become of national concern, and they rightfully look to Congress to save them for the Nation's sake.

The farmers' taxes as a whole have increased some 170 percent since 1914, and with their incomes down to some 50 percent less than pre-war level this tax load has become extremely onerous. This burden has more than doubled by the falling of prices since 1929, as it now takes more than four times as many units of farm produce to pay the farm tax bill now as it took in 1914. In 1931 taxes on farm property absorbed some 11 percent of the gross farm income, compared with only 4 percent before the war. It is therefore obvious that the farmers' tax burden is unfair. This is not only due to the increase in public expenditures but to the failure of our tax system to allow for the post-war decline in farm income. Both economy and in public expenditures and a drastic revision of our revenue system are therefore necessary. It is an uncontroverted fact that the property tax discriminates against the farmer under certain conditions, but of course this is not a part of the Federal revenue system. The general property-tax problem is one to be solved by the various States and the subdivisions thereof.

The farmer today is without ready credit facilities almost everywhere, save those that are provided in a limited sense by Federal agencies. Local credit agencies depend for their lending power upon a flow of income into their communities. When this flow dwindles or dries up, outstanding loans cannot be collected and new loans cannot be made. The local revolving fund ceases to revolve, and the local credit agencies have been therefore unable to maintain but only a small fraction of their lending power. The same thing is true with reference to life-insurance companies and other lending agencies; however, the Federal Government has been able to assist our farmers in a limited way through various Government activities, but on the whole the farmer has been unable to secure sufficient credit to carry on.

Of course, world conditions played their part in tearing down the farming structure of this country as is noted in our decline in the exports of agricultural products from the United States. In the fiscal year 1931–32, these declined in value 28 percent from those of the preceding year, 50 percent from those of 1929–30, and 59 percent from those of 1928–29. This 3-year decline followed a 7-year period of relative stability in exports. In this 7-year period the value of exports was lower than it was during the war and immediately thereafter, but higher than it was before the war. The 1931–32 exports carried us down to about the level at the beginning of the century. These declines are not only reflected in the value thereof but in the volume as well.

Because incomes have dropped and taxes have not, public interest in Government expenditures is at a high level. Though our agricultural institutions have a long and honorable history, they are not exempt from current criticism from high public expenditures. The public rightfully demands to know what return it receives from its tax investment.

Personally, I know of no money spent to more advantage for the good of the Nation than that spent by our Government for agricultural research. While the Government appropriated $306,400,098 for the Department of Agriculture for the fiscal year ending 1932, only 10 cents out of every dollar so appropriated was spent or could be spent on the ordinary agricultural activities of the Department. The following is a break-down of this appropriation:

Item	Amount	Percentage of total
(1) Road construction (including $188,660,236 paid to the State for Federal-aid highways)	$212,421,775	69.33
(2) Emergency relief loans	10,806,829	3.53

Item	Amount	Percentage of total
(3) Payments to States for support of agricultural experiment stations, extension work, and cooperative forestry activities, including fire prevention	$16,040,465	5.23
(4) Ordinary activities	67,131,029	21.91
(a) Of general public interest, $36,372,082 (11.87 percent).		
(b) Primarily for agriculture, $30,758,947 (10.04 percent).		
(5) Total Department of Agriculture, all purposes	306,400,098	100.00

It will be noted from this table that over four fifths—81 percent—of the 1932 expenditures of the Department went to the general public rather than to agriculture. The following is a table of the Department's expenditures, classified by organization units:

Expenditures and obligations classified by organization units

Organization unit	General activities	Payments to States (exclusive of Federal-aid road funds)	Road construction	Emergency relief loans	Total
Office of the Secretary	$1,227,044				$1,227,044
Office of Information	1,404,207				1,404,207
Library	110,116				110,116
Office of Experiment Stations	370,283	$4,357,000			4,727,283
Extension Service	1,708,734	8,662,466			10,371,200
Weather Bureau	4,140,941				4,140,941
Bureau of Animal Industry	15,272,021				15,272,021
Bureau of Dairy Industry	743,189				743,189
Bureau of Plant Industry	5,573,323				5,573,323
Forest Service	17,114,943	3,020,999	$16,189,381		36,325,323
Bureau of Chemistry and Soils	1,909,749				1,909,749
Bureau of Entomology	2,484,676				2,484,676
Bureau of Biological Survey	1,903,591				1,903,591
Bureau of Public Roads	209,225		196,232,394		196,441,619
Bureau of Agricultural Engineering	613,990				613,990
Bureau of Agricultural Economics	6,826,180				6,826,180
Bureau of Home Economics	236,452				236,452
Plant Quarantine and Control Administration	3,383,563				3,383,563
Grain Futures Administration	193,941				193,941
Food and Drug Administration	1,704,861				1,704,861
Farmers' Seed Loan Office				$10,806,829	10,806,829
Total	67,131,029	16,040,465	212,421,775	10,806,829	306,400,098

It is therefore obvious that 81 percent of the Department's appropriation was expended for road construction simply by reason of the fact that the Bureau of Roads has been made one of the organization units of this Department. Up to 1932 the normal expenditures of this Department have ranged between $125,000,000 and $180,000,000, including road funds; too, there was included in this appropriation direct relief to farmers suffering from drought and flood. It is therefore evident that this Department has been charged with activities that are not of themselves ordinary agricultural activities. The Department was called on to spend $36,000,000 in connection with weather service, forest and game conservation, and the enforcement of the Pure Food and Drug Act, all of which was for general public interest. In the activities primarily for agriculture there was spent the sum of $30,758,947, or 10.04 percent, of the total appropriation. These expenses, which are made primarily for agriculture, are of as much concern to industry, commerce, and to the general public as they are to agriculture, and it is my opinion that the country can ill afford to dispense with activities of this Department which are carried on primarily for agriculture. In connection with these activities the Department undertakes tasks which the individual cannot do for himself and does necessary things which would otherwise not be done.

The basic task of this Department is scientific research. All of its duties, such as extension and information work, eradication and control of plant and animal diseases and pests, weather and crop reporting, forest and wild-life administration, regulatory-law administration, and even road construction rest upon research; without research these public functions delegated to it by Congress could not be carried on. These researches only seek to gain useful knowledge in response to tasks imposed upon the Department by Congress in connection with agricultural and national needs. Research is a dividend-paying investment, as is realized by all manufacturers who carry on these activities in their own sphere of industrial necessity.

It is often said that agricultural research is not required at present because it tends to stimulate agricultural production. In my opinion, this logic is faulty. While in time of great surpluses which cannot be absorbed by our and world markets, production should be reduced, yet it certainly cannot be said that it makes no difference how this reduction is brought about. The method is all-important. Our farmers should have information available to them so as to make this reduction in an efficient manner and along scientific basis so that costs may not rise more than prices. For instance, pests may remove the surplus, but they will not do so to the farmers' profit. Reductions should be made in a manner that will not increase net costs. No one ever reflected profit by sacrificing efficiency, and it is through our Department of Agriculture that the farmers of this country must look for scientific advice in the reduction of production along a scientific and paying basis. The cost of production is always important. No individual farmer can afford to treat these problems scientifically. This duty rests upon the Nation.

In appraising the value of the services rendered this Nation by the research activities of the Department of Agriculture, among many other beneficial results accomplished, we find that investigations made by this Department have helped to reduce production costs, eliminate waste, improve the quality of farm products, and facilitated the distribution of agricultural products, thus contributing directly to the raising and maintenance of our standard of living. It has also made large contributions to the improvement of human health and the longevity of life. It discovered that certain diseases were transmitted by the cattle tick. This was the first demonstration that a microbial disease can be transmitted by insects. This led to the knowledge that yellow fever, malaria, African sleeping sickness, Rocky Mountain fever, and other maladies are carried through intermediate hosts. That knowledge has saved hundreds of thousands of lives. Its research has curbed to a large extent the transmission of tuberculosis from milch cows to human beings. Its supervision of the canned-food industry has undoubtedly improved the health of our Nation.

There are incidents where the research of this Department has saved an entire branch of agriculture, for instance, the restoration of the sugarcane industry in Louisiana which was threatened with extinction with mosaic disease. This disease was discovered in 1919 in the sugarcane area of Louisiana. It rapidly spread through other sugarcane-growing areas of the United States. The sugarcane industry faced complete collapse. The Department made a study of the situation and by reason thereof developed varieties of sugarcane that are resistant to this disease. As a result of this research, the sugarcane production in Louisiana has increased over 500 percent since 1926.

It also succeeded in developing a curly top variety of sugar beets and has discovered means of decreasing the deterioration of mill cane. Its study of soils and erosion has been of much benefit to the sugar industry of this country. In cooperative experiments with the California Experiment Station, early maturing hybrid selections of rice were found to produce better yields than the varieties commonly used, much to the benefit of the rice industry in California. Wheat-breeding investigations have produced practical and profitable results. Its research studies have saved the Florida farmers from celery mosaic. It developed the wilt-

resistant tomato named "Pritchard" to the benefit of the tomato growers. Its work has contributed to the success of our cabbage farmers, corn growers, flax, hops, tobacco, and alfalfa growers as well. It has also contributed largely to the success of our dairy industry through the development of cheap home-grown feeds. It was largely through its efforts that every American farmer was freed from the grip of the Chilean-nitrate producers in connection with our fertilizer requirements. It has successfully taught the American farmer how to secure the most out of fertilizers through proper applications. In the irrigation projects of the West its research work has prevented injury to soil and crops from the accumulation in the soil of dissolved salts contained in irrigation water by the proper application of water. Without the activities of this Department, pests would have devoured this country long ago. It has taught our growers how to store fruits and potatoes. The Department developed processes for the manufacture of citric acid, lemon and orange oil, stock feeds, and other valuable products which transform into profit quantities of oversized and odd-shaped fruits which previously had been wasted. The Department has developed a method of making high-grade cellulose from the waste of sugarcane after the sugar has been extracted, thus providing a basic material for rayon. Chemists of this Department devised a method of producing high-quality starch from sweetpotatoes.

Diabetics will be benefited by the production of pure inulin extracted from chicory, now grown in limited quantities in the United States. Barbados molasses is imported in large quantities because of its flavor. Chemical investigations by this Department recently revealed the nature of this flavor and succeeded in reproducing it in sirup of domestic origin, thus making it possible that our domestic molasses can be profitably substituted for the foreign product. Frozen fruit pulp has been made possible by the research work of this department.

The ice-cream industry has been benefited by a process recently developed in the Department making it possible for sugar to be removed from skim milk without affecting the casein. It also developed a process by which milk may be held frozen as long as 3 weeks and restored to its normal state without loss of flavor or physical properties. The fast-increasing date industry in this country and the production of tung oil are fruits of this Department's labors. It introduced long-staple cotton to this country. Varieties of lettuce recently introduced by the Department set new standards of quality and at the same time resist both mildew and blight. Its investigations developed means of preventing the crystallization of sugar from cane sirup and of controlling the color and flavor of cane sirup by the use of decolorizing carbon. Its investigations promise success in the development of a method for the prevention of deterioration in the flavor and quality of orange juice.

In its soil-erosion activities it has probably saved the Corn Belt from the depletion of its rich top soil. The wild life of this country has undoubtedly been saved by the activities of this Department. It has taught our farmers how to grade all their products. Home canning is also one of its outstanding accomplishments, as well as seed selection. In April 1932 it took this Department but 10 days to stamp out our tenth invasion of the foot-and-mouth disease. Its stock year inspections, tuberculosis, and cattle-tick fever activities contribute largely to the health of our people. It has taught us how to control the grasshopper menace, and in its efficient administration of the Food and Drug Act it has contributed an added guaranty to the health of our people. It has saved farmers millions and millions of dollars by teaching them the proper use of appropriate fertilizers to various crops and soils. It teaches us how to more profitably utilize our lands and farm commodities, and this work goes hand in hand with measures designed to control production in relation to consumption demand.

One might go on without limit setting out the benefits received by agriculture as a whole as a result of the research work of the Department of Agriculture. One of the principal activities in which the Department is now engaged looks to the more profitable utilization of farm surplus, culls, and waste. Industry has little waste, and it is a well-known fact that if the waste now prevalent on our farms could be transformed into useful products, the farmer's revenue would be materially increased. In the production of the great staple crops—such as the small grains, cotton, sugar—and timber, there is necessarily grown a great tonnage of straws, stalks, hulls and cobs, and bark, for which on the whole there is no large industrial use, and the problem of profitable utilization of these agricultural wastes still remains to be solved. The Department is now conducting a comprehensive investigation of the possibility of using these various waste materials for a great variety of purposes, and the farmer can now ill afford to have these activities curtailed, when he is so much in need of added revenue.

As stated at the outset, all of these combined activities are carried on at a total cost of little more than $30,000,000. They are all indispensable activities and we cannot afford to discontinue them in these days and times when our farmers are so much in need of added income and a reduction in cost of production. It is my opinion that if there is any activity in our Government which justifies its existence it is that of the Research Bureau of the Department of Agriculture.

PROTECTION OF GOVERNMENT RECORDS

Mr. SUMNERS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4220) for the protection of Government records, as amended.

The Clerk read as follows:

Be it enacted, etc., That whoever, by virtue of his employment by the United States, having custody of, or access to, any record, proceeding, map, book, document, paper, or other thing shall, for any purpose prejudicial to the safety or interest of the United States willfully and unlawfully conceal, remove, mutilate, obliterate, falsify, destroy, sell, furnish to another, publish, or offer for sale any such record, proceeding, map, book, document, paper, or thing, or any information contained therein, or a copy or copies thereof, shall be fined not more than $2,000 or imprisoned not more than 3 years, or both, and moreover shall forfeit his office and be forever afterward disqualified from holding any office under the Government of the United States.

SEC. 2. Whoever shall willfully, without authorization of competent authority, publish or furnish to another any matter prepared in any official code; or whoever shall, for any purpose prejudicial to the safety or interest of the United States, willfully publish or furnish to another any matter obtained without authorization of competent authority, from the custody of any officer or employee of the United States or any matter which was obtained while in process of transmission from one public office, executive department, or independent establishment of the United States or branch thereof to any other such public office, executive department, or independent establishment of the United States or branch thereof or any matter which was in process of transmission between any foreign government and its diplomatic mission in the United States; or whoever shall for any purpose prejudicial to the safety or interest of the United States, willfully, without authorization of competent authority, publish or furnish to another, any such matter or anything purporting to be any such matter, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

SEC. 3. In any prosecution hereunder, proof of the commission of any of the acts described herein shall be prima facie evidence of a purpose prejudicial to the safety or interest of the United States.

The SPEAKER. Is a second demanded?

Mr. PERKINS. Mr. Speaker, I demand a second.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PERKINS. I yield 5 minutes to the gentleman from Michigan [Mr. HOOPER].

Mr. HOOPER. Mr. Speaker, the question will be raised as to whether or not this bill could by any possibility apply to Members of Congress. I, with the rest of the members

of the Judiciary Committee, have given very careful and close attention to this bill, and I am positive that such a question cannot properly be raised.

A Member of Congress is not an employee of the Government within the sense and meaning of the bill. He is one of a number of men who are officials in the legislative branch of the Government, and we must rely upon official information obtained by each Member of Congress being used properly and discreetly. The bill does not apply to them. It is a departmental bill, and we are called upon to give full faith and credit to one great Department of the Government at this particular time.

I am here to address myself to Members on my own side of the aisle, to say to them that I do believe that this bill at this time and under the circumstances which exist is absolutely necessary.

The committee has studied it very carefully, indeed, and have gone over the language with the most painstaking care. We know that under the circumstances we should not infringe too much on the rights of individuals on the one hand, but on the other to give the Government the benefit of this necessary legislation.

Mr. TINKHAM. Will the gentleman yield?

Mr. HOOPER. I yield.

Mr. TINKHAM. What are the special circumstances, if they can be disclosed to the House?

Mr. HOOPER. I will say to my good friend that the special circumstances under which the bill comes up here are such that I would not care to take the responsibility of disclosing them.

Mr. BLACK. Does the gentleman think he has a right to withhold that information from the House?

Mr. HOOPER. I do not think that is a fair question for the gentleman from New York to ask under the circumstances. There is no information that I would willfully conceal from the Members of the House. I think the Members on both sides of the aisle know that I would not intentionally conceal anything which I ought to reveal to them. [Applause.]

I advise Members on my own side of the aisle to help pass this bill. I do not think there is any special opposition, under existing circumstances it is necessary to the public welfare, and I for one am willing to yield to the judgment of the Department of State in passing this legislation.

Mr. PERKINS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I do not propose to ask for the specific reasons or for the explanations back of this legislation. I am rather led to believe, after a service of 12 years on the Foreign Affairs Committee, that such information and circumstances are probably exaggerated. I personally do not believe any harm would come if all of the facts back of this legislation were presented here in the orderly way before the Congress. I am inclined to think that that would be the proper procedure, and that it would be for the best interests of our own country, because when there are secrets they are immediately followed by rumors and exaggerations of all kinds. I cannot conceive of anything that would be prejudicial to the safety of the United States if all of the facts were explained here; but I do not propose to ask for any further information than has been presented, nor do I propose to oppose the legislation.

Mr. BLACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I am sorry, but my time is limited. I want it understood specifically that this legislation carries no infringements of the rights and prerogatives of the Members of the House, and particularly of the members of the Committee on Foreign Affairs, who by the very nature of their service on that committee are supposed to keep in touch with the foreign affairs of our country. I say, without fear of contradiction, that there are many members on our committee who have given 10, 12, and more years of their service in this House to a study of our foreign problems, who know far more than many Under Secretaries and Assistant Secretaries of State who are appointed for 1 or 2 years, and then are followed by some new appointee. Some of these spokesmen of the State Department, often with limited knowledge or experience, come before our committee and tell us what we should do to safeguard the international relations of the United States. Sometimes the State Department adopts a holier than thou attitude and hides behind a veil of secrecy on matters that should be made public and passed upon by the American people.

For the information of the House, I am going to make a statement of facts which I think will be of interest, although they do not bear directly upon this legislation. When I was chairman of the committee investigating the activities of the Communists in the United States, I was called upon by my committee to subpena some 3,000 cablegrams sent by or received by the Amtorg Trading Corporation from Soviet Russia, all of which cablegrams were in code. I was informed by both the Navy Department and the War Department that they had decoding experts who could decode every cablegram or any cablegram in code that was ever sent by any country in the world. I presented a large part of these cablegrams that had been subpenaed under the law to the War Department and to the Navy Department without result. Not one expert—and they had from 6 months to a year—succeeded in decoding a single word of those cablegrams, although they had assured me that they could decode them. In view of the fact that we are discussing a related question on the floor I thought it appropriate to make this statement, and to say that so far as I know these foreign nations if they use sufficiently protective codes would never be found out by the Government of the United States or by the State Department or the War Department or the Navy Department. We are fairly harmless in that respect at least, judging from past experience. I hope as a result of this measure that at least public attention will be directed toward remedying the situation and that sufficient funds be provided to develop and insure a greater efficiency and capacity in decoding cablegrams of vital importance to the safety of our Government.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. PERKINS. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MCFADDEN].

Mr. MCFADDEN. Mr. Speaker, when I raised this question on the floor of the House this morning it was with the idea that there should be no further limitation placed on public utterances of Members of the Congress on matters affecting the people of the United States. I see in the report that, while this legislation is urged, the statement is made that at the same time it is proposed to safeguard the rights of Members of Congress and individuals and the public interest as they relate to the freedom of speech and of the press. We now have about as complete control over information in the United States as it is possible to get. The press of the United States, particularly the metropolitan press, is almost 100 percent controlled by interests which are detrimental to the United States when it relates to matters relating to foreign affairs. When it comes to the matter of the radio likewise there is such control. So far as the moving pictures are concerned the same situation exists. The same situation exists in all of these sources of information that I mention, and that includes also the lines of communication, such as telegraph and telephone. They are all under perfect control of the influences which are responsible for our present debacle so far as the dissemination of information or propaganda which is detrimental to the people of the United States is concerned. I might add also that propaganda from foreign countries tending to break down our form of government and to dictate to us what kind of government we should have and how we should administer it and concerning war debts due us, economic conferences, disarmament or arms, World Court, far eastern situation, and embargo is also involved.

I have particular interest in this respect in seeing to it that there is no further curb put upon those of us who must

point out from time to time those things with which we are not in agreement with the State Department, and in these other departments of the Government who are more or less under control of these foreign influences. I do not hesitate to repeat what I have previously said, that I do not believe our State Department is frank and fair with the American people in dealing with many of these diplomatic situations, and right here in this particular legislation we are told that we must not ask a question. It reminds me of the period from 1917 to the close of the war when we were asked to pass legislation of this nature, and nothing was disclosed to us nor were we permitted to disclose what was back of it. We Members of Congress who are responsible to the constituency which sent us here are asked to vote blindly on an important matter like this. I think I understand fairly well the situation here and what is involved. It may be that what the State Department is proposing to do here may not be in the best interest of all of the American people, because I know very well that some matters which are involved in this are held in doubt very much by a great block of American citizens. The State Department is now following the mistaken policy of the Hoover-Stimson regime in the far eastern situation and we now find ourselves embarrassed with a threat of war; it is, I will venture to say, 98 percent due to the Hoover-Stimson policy which is now being continued.

Mr. BLACK. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. BLACK. Under the terms of this bill, does the gentleman think that if the newspaper offices believe that in a certain department in the Government there was corruption and the editor sent a reporter into that department and he got certain information and furnished it to his editor that department could then harass him and intimidate him under the terms of this act?

Mr. McFADDEN. That is correct. That is one of the things I am fearful of. I am also fearful that if a Member of Congress obtains information in that same manner he may be subjected to the terms of this act. I am particularly interested that this law be not construed to cover other things than that which is suggested as the main object for the bill. If the information on which this bill is based is correct, I am in accord that the legislation should be enacted, but I have been here long enough to know that an innocent piece of legislation, when once enacted, like this is used for other purposes than that for which it was originally intended.

There should be no muzzling of Members of Congress in this bill. I would like definite assurances from the members of the Judiciary Committee, who know all these things, to insure us that such a course will not prevail. Before we are out of the present debacle there will have to be some plain speaking on the floor of this House.

Mr. BLANTON. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. BLANTON. The chairman of the committee has placed sufficient legislative intent for interpretation hereafter in the RECORD to show that it is not intended by Congress that the rights of either Senators or Members of the House shall be restricted in any manner; and, therefore, we may continue, as heretofore, to have access to all Government departments and bureaus and procure and use here information.

Mr. McFADDEN. But the gentleman knows very well that the intentions of Congress are frequently overlooked in the administration of laws which we pass.

Mr. BLANTON. They should not be, and we will not permit departments to overlook our legislative intent.

Mr. McGUGIN. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. McGUGIN. One of the questions involved, which is equally as important as whether the rights of Members of Congress are infringed upon, is whether or not the rights of citizens of the United States are infringed upon.

Mr. McFADDEN. Of course. We Members of Congress are to represent the people of the United States and not some administrative officer.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. McFADDEN] has expired.

Mr. PERKINS. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KURTZ].

Mr. KURTZ. Mr. Speaker, I desire to say that this bill, in the opinion of every member of the Committee on the Judiciary, is not only essential but absolutely necessary at this time. It is true the committee is not disclosing some of the information that was brought before the committee, for it is deemed unwise to do so, but there is no member of the committee who does not realize the absolute necessity and importance of this legislation. Every member of the committee is in favor of the legislation, after examining the testimony that was produced before the committee. If the House will examine the law as it exists at the present time, it will discover there is very little difference between the law that is on the statute books of the United States today and the law that is to be enacted, with the exception of that portion of the second paragraph in the bill which reads as follows:

> Whoever shall willfully, without authorization or competent authority, publish or furnish to another any matter prepared in any official code—

That is absolutely new, and that is the particular portion of this bill which every member of this committee is anxious to see enacted into law.

Other portions of the bill are practically a rehash of the existing law, as you will see if you look at the report of the committee. That new provision is the very important portion of this bill. It relates to cases where an individual who intercepts a code from, say, England to the British Embassy in the United States and then publishes a book or pamphlet stating that it contains the exact code message that was sent from England to its representative in the United States to the great embarrassment of both Governments. In my opinion, and in the opinion of every other member of this committee, that should not take place in the United States. Especially do we not want that to happen here, when there are nations that are at the present time apparently antagonistic to the United States. The present relationship between certain other nations and the Government of the United States is quite sensitive, and that is the reason there is no disclosure made by the Committee on the Judiciary on this particular subject.

Insofar as newspapers, radio messages, and other methods for the transmission of information to the public are concerned, I desire to say that they, too, would be prohibited if they chance to violate the provisions of this particular bill. It does not curb the right of free speech in any particular, but it does curb any person who has possession of documents, or who shall unlawfully get possession of codes, from publishing them to the prejudice of our Government. It curbs them from printing books and telling the public that which may or may not be true if surreptitiously taken from codes and private documents. It is a step in the right direction, and I am sure I speak for every member of the committee when I say they are all in happy accord in the belief that it is absolutely essential to the welfare of America and the world at this time to pass this particular piece of legislation.

Mr. PERKINS. Mr. Speaker, I yield the balance of my time, 4½ minutes, to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Speaker, I think this is a most dangerous piece of legislation, particularly, offered in this way. If the situation is so important as to warrant the committee reporting a bill to cure it, and the information is so dangerous that it cannot be made known to the public, there is a way of making it known to the Congress without making it known to the public. We can clear the galleries, we can clear the press gallery; and it is most important to me at

this time, in the interest of this House, that the House should be treated with proper respect and dignity, and particularly it should be treated so by its own committee. I do not think any committee of this House has the right to come here and urge a far-reaching piece of legislation like this, infringing on the liberties of the press, on the liberties of the citizen, on free speech, and ask for it merely on their own responsibility and their word that there is a tense situation existing.

The gentleman from Pennsylvania [Mr. KURTZ] justifies the bill on the analogous situation as to what is supposed to exist, but that does not justify the first part of the bill.

If this bill becomes law, should any editor of a newspaper suspecting that there is corruption in a Federal department, send a reporter to that Federal department, and the reporter take off copies of any record and bring it back to his editor, under the terms of this bill he could be indicted. Indeed, from what we have seen of corruption in Federal places in the past, a corrupt Federal official would not hesitate to threaten with indictment any man who might expose him.

More important than the terms of the bill is the responsibility of Congress for a proper system of legislation. Why legislate in the dark? Are we children not able to understand, that a committee should want to force such a bill through without explanation? A member of the Committee on Foreign Affairs just spoke. He stated from the floor of the House that he knows why this bill is needed. Why should he be given more information than the rest of us? I say that in the interest of decent legislation and in the interest of a free press in this country at this time this legislation should be voted down.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill as amended.

The question was taken; and on a division (demanded by Mr. MCFADDEN) there were—ayes 103, noes 27.

Mr. MCFADDEN. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-five Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 300, nays 29, not voting 101, as follows:

[Roll No. 10]

YEAS—300

Abernethy	Cady	Dies	Hart
Adair	Caldwell	Dobbins	Harter
Adams	Cannon, Mo.	Dockweiler	Hastings
Allen	Carden	Dondero	Healey
Almon	Carter, Calif.	Dowell	Henney
Andrew, Mass.	Carter, Wyo.	Driver	Hess
Andrews, N.Y.	Cary	Duffey	Higgins
Arnold	Celler	Duncan, Mo.	Hildebrandt
Ayers, Mont.	Chapman	Dunn	Hill, Ala.
Ayres, Kans.	Chase	Edmonds	Hill, Knute
Bacon	Christianson	Eicher	Hill, Sam B.
Bakewell	Church	Eltse, Calif.	Hoeppel
Bankhead	Clark, N.C.	Englebright	Holmes
Beam	Clarke, N.Y.	Faddis	Hooper
Beck	Cochran, Mo.	Fiesinger	Hope
Beedy	Coffin	Fish	Hughes
Berlin	Colden	Fitzpatrick	Imhoff
Blanchard	Cole	Fletcher	Jacobsen
Bland	Collins, Calif.	Ford	Jeffers
Blanton	Collins, Miss.	Foss	Johnson, Okla.
Bloom	Colmer	Frear	Johnson, Tex.
Boileau	Condon	Fuller	Johnson, W.Va.
Boland	Connery	Gambrill	Jones
Boylan	Cooper, Tenn.	Gasque	Kahn
Brennan	Cox	Gibson	Kee
Briggs	Cravens	Gifford	Keller
Brooks	Crosby	Gilchrist	Kelly, Ill.
Brown, Ky.	Cross	Gillespie	Kelly, Pa.
Brown, Mich.	Crosser	Gillette	Kemp
Browning	Culkin	Glover	Kennedy, Md.
Brumm	Cullen	Goldsborough	Kennedy, N.Y.
Buchanan	Cummings	Goodwin	Kenney
Buck	Darden	Goss	Kerr
Bulwinkle	Dear	Gregory	Kinzer
Burch	Delaney	Griffin	Kleberg
Burke, Nebr.	DeRouen	Guyer	Kloeb
Burnham	Dickinson	Hancock, N.Y.	Kniffin
Byrns	Dickstein	Harlan	Knutson
Kopplemann	Milliard	Reece	Taylor, Tenn.
Kramer	Miller	Reilly	Terrell
Kurtz	Milligan	Richards	Thom
Lambertson	Mitchell	Richardson	Thomason, Tex.
Lamneck	Monaghan	Robertson	Thompson, Ill.
Lanham	Moran	Robinson	Thurston
Lea, Calif.	Morehead	Rogers, Mass.	Tobey
Lehlbach	Murdock	Rogers, N.H.	Traeger
Lehr	Musselwhite	Rogers, Okla.	Treadway
Lewis, Colo.	Nesbit	Ruffin	Truax
Lloyd	Norton	Sabath	Turner
Lozier	O'Brien	Sadowski	Turpin
Luce	O'Connell	Sanders	Umstead
McCarthy	O'Connor	Sandlin	Vinson, Ga.
McClintic	Oliver, Ala.	Schaefer	Vinson, Ky.
McCormack	Owen	Scrugham	Wadsworth
McDuffie	Palmisano	Sears	Wallgren
McFarlane	Parker, Ga.	Seger	Walter
McGrath	Parker, N.Y.	Shallenberger	Warren
McKeown	Parks	Simpson	Watson
McLean	Parsons	Sirovich	Wearin
McLeod	Patman	Smith, Va.	Weaver
McMillan	Perkins	Snell	Welch
McReynolds	Peterson	Spence	Werner
McSwain	Peyser	Stalker	West
Major	Pierce	Steagall	Whitley
Maloney, Conn.	Polk	Strong, Pa.	Whittington
Maloney, La.	Pou	Strong, Tex.	Wigglesworth
Mansfield	Powers	Stubbs	Wilcox
Mapes	Prall	Studley	Williford
Marland	Ragon	Sumners, Tex.	Williams
Martin, Colo.	Ramsay	Sutphin	Wilson
Martin, Mass.	Ramspeck	Swank	Wolcott
May	Randolph	Sweeney	Wolverton
Mead	Rankin	Swick	Wood, Ga.
Meeks	Ransley	Tarver	Woodrum
Merritt	Rayburn	Taylor, Colo.	Zioncheck

NAYS—29

Arens	Ellzey, Miss.	Lundeen	Sinclair
Black	Flannagan	McFadden	Tinkham
Busby	Howard	McGugin	White
Carpenter, Kans.	Huddleston	Mott	Withrow
Castellow	Johnson, Minn.	O'Malley	Young
Claiborne	Kocialkowski	Peavey	
Deen	Kvale	Secrest	
Eagle	Lemke	Shoemaker	

NOT VOTING—101

Allgood	Darrow	Haines	Reid, Ill.
Auf der Heide	De Priest	Hamilton	Rich
Bacharach	Dingell	Hancock, N.C.	Romjue
Bailey	Dirksen	Hartley	Rudd
Beiter	Disney	Hoidale	Schuetz
Biermann	Ditter	Hollister	Schulte
Boehne	Doughton	James	Shannon
Bolton	Douglass	Jenckes	Sisson
Brand	Doutrich	Jenkins	Smith, Wash.
Britten	Doxey	Lambeth	Smith, W.Va.
Brunner	Drewry	Lanzetta	Snyder
Buckbee	Durgan, Ind.	Larrabee	Somers, N.Y.
Burke, Calif.	Eaton	Lee, Mo.	Stokes
Cannon, Wis.	Evans	Lesinski	Sullivan
Carley	Farley	Lewis, Md.	Taber
Carpenter, Nebr.	Fernandez	Lindsay	Taylor, S.C.
Cartwright	Fitzgibbons	Ludlow	Underwood
Cavicchia	Focht	Marshall	Utterback
Chavez	Foulkes	Martin, Oreg.	Waldron
Cochran, Pa.	Fulmer	Montague	Weideman
Connolly	Gavagan	Montet	Wolfenden
Cooper, Ohio	Granfield	Moynihan	Wood, Mo.
Corning	Gray	Muldowney	Woodruff
Crowe	Green	Oliver, N.Y.	
Crowther	Greenwood	Pettengill	
Crump	Griswold	Reed, N.Y.	

So (two thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Corning with Mr. Darrow.
Mr. Fulmer with Mr. Britten.
Mr. Brunner with Mr. Cavicchia.
Mr. Griswold with Mr. Bacharach.
Mr. Boehne with Mr. Crowther.
Mr. Hancock of North Carolina with Mr. Buckbee.
Mr. Sullivan with Mr. Evans.
Mr. Lindsay with Mr. Connolly.
Mr. Disney with Mr. Taber.
Mr. Douglass with Mr. Wolfenden.
Mr. Oliver of New York with Mr. Bolton.
Mr. Montague with Mr. Dirksen.
Mr. Somers with Mr. Jenkins.
Mr. Drewry with Mr. Reed of New York.
Mr. Rudd with Mr. Waldron.
Mr. Schuetz with Mr. Cooper of Ohio.
Mr. Lewis of Maryland with Mr. Woodruff.
Mr. Cartwright with Mr. Eaton.
Mr. Haines with Mr. Doutrich.
Mr. Crump with Mr. Hartley.
Mr. Carley with Mr. Muldowney.
Mr. Granfield with Mr. Reid of Illinois.
Mr. Brand with Mr. Cochran of Pennsylvania.

Mr. Greenwood with Mr. Ditter.
Mr. Underwood with Mr. Focht.
Mr. Green with Mr. Hollister.
Mr. Martin of Oregon with Mr. James.
Mr. Romjue with Mr. Rich.
Mr. Doxey with Mr. Marshall.
Mr. Lambeth with Mr. Stokes.
Mr. Burke of California with Mr. De Priest.
Mr. Doughton with Mr. Moynihan.
Mr. Gavagan with Mr. Utterback.
Mr. Biermann with Mr. Cannon of Wisconsin.
Mr. Jenkins with Mr. Lanzetta.
Mr. Chavez with Mr. Foulkes.
Mr. Fernandez with Mr. Lesinski.
Mr. Smith of West Virginia with Mr. Wood of Missouri.
Mr. Crowe with Mr. Gray.
Mr. Auf der Heide with Mr. Bailey.
Mr. Allgood with Mr. Hamilton.
Mr. Beiter with Mr. Carpenter of Nebraska.
Mr. Holdale with Mr. Lee of Missouri.
Mr. Dingell with Mr. Fitzgibbons.
Mr. Smith of Washington with Mr. Durgan.
Mr. Sisson with Mr. Farley.

Mr. McCORMACK. Mr. Speaker, the gentleman from Massachusetts, Mr. GRANFIELD, is unavoidably absent. If he were present, he would vote "yea."

Mr. HART. Mr. Speaker, the gentleman from Michigan, Mr. WEIDEMAN, is absent on account of official business. If he were present, he would vote "yea."

Mr. BOLAND. Mr. Speaker, the gentleman from Pennsylvania, Mr. HAINES, is unavoidably absent. Were he present, he would vote "yea."

The result of the vote was announced as above recorded.

IMPEACHMENT AGAINST UNITED STATES DISTRICT JUDGE HAROLD LOUDERBACK

Mr. SUMNERS of Texas. Mr. Speaker, I offer a privileged resolution for immediate consideration.

The Clerk read as follows:

House Resolution 93

Whereas MALCOLM C. TARVER, on the 27th day of March 1933, submitted to the House of Representatives his resignation as a manager on the part of the House in the pending impeachment against Harold Louderback, a district judge of the United States for the northern district of California, which resignation on said date was accepted by the House of Representatives,

Resolved, That J. EARL MAJOR and LAWRENCE LEWIS, Members of the House of Representatives, be, and they are hereby, appointed managers on the part of the House of Representatives, with the managers on the part of the House heretofore appointed and acting, to conduct the impeachment pending in the United States Senate against Harold Louderback, a district judge of the United States for the northern district of California.

The resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GAVAGAN, for the day, on account of illness.

To Mr. SNYDER, for 2 days, on account of death in family.

To Mr. GRAY, for 3 days, on account of important business.

To Mr. BURKE of California, indefinitely, on account of earthquake in California.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation:

APRIL 3, 1933.

Hon. HENRY T. RAINEY,
Speaker House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the following standing committees of the House of Representatives:

Coinage, Weights, and Measures.
Public Buildings and Grounds.

Very truly yours,

LOUIS T. MCFADDEN.

The resignation was accepted.

MESSAGE FROM THE PRESIDENT—REFINANCING OF FARM-MORTGAGE INDEBTEDNESS

The SPEAKER laid before the House the following message from the President, which was read, as follows:

To the Congress:

As an integral part of the broad plan to end the forced liquidation of property, to increase purchasing power, and to broaden the credit structure for the benefit of both the producing and consuming elements in our population, I ask the Congress for specific legislation relating to the mortgages and other forms of indebtedness of the farmers of the Nation. That many thousands of farmers in all parts of the country are unable to meet indebtedness incurred when their crop prices had a very different money value is well known to all of you. The legislation now pending, which seeks to raise agricultural commodity prices, is a definite step to enable farm debtors to pay their indebtedness in commodity terms more closely approximating those in which the indebtedness was incurred; but that is not enough.

In addition, the Federal Government should provide for the refinancing of mortgage and other indebtedness so as to accomplish a more equitable readjustment of the principal of the debt; a reduction of interest rates, which in many instances are so unconscionably high as to be contrary to a sound public policy; and, by a temporary readjustment of amortization, to give sufficient time to farmers to restore to them the hope of ultimate free ownership of their own land. I seek an end to the threatened loss of homes and productive capacity now faced by hundreds of thousands of American farm families.

The legislation I suggest will not impose a heavy burden upon the National Treasury. It will, instead, provide a means by which, through existing agencies of the Government, the farmowners of the Nation will be enabled to refinance themselves on reasonable terms, lighten their harrassing burdens, and give them a fair opportunity to return to sound conditiions.

I shall presently ask for additional legislation as a part of the broad program, extending this wholesome principle to the small-home owners of the Nation, likewise faced with this threat.

Also, I shall ask the Congress for legislation enabling us to initiate practical reciprocal tariff agreements to break through trade barriers and establish foreign markets for farm and industrial products.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 3, 1933.*

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 47 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 4, 1933, at 12 o'clock noon.

COMMITTEE MEETING

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a.m. on April 4, 1933, continuing hearings on H.R. 4314, the proposed Federal Securities Act.

EXECUTIVE COMMUNICATIONS, ETC.

12. Under clause 2 of rule XXIV a letter from the secretary of the Reconstruction Finance Corporation, transmitting a report of the activities and expenditures of the Reconstruction Finance Corporation for February 1933, together with a statement of loans authorized during that month, showing the name, amount, and rate of interest in each case (H.Doc. No. 13), was taken from the Speaker's table, referred to the Committee on Banking and Currency, and ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H.R. 4070) granting a pension to Bertha Howard Woodward, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STUBBS: A bill (H.R. 4544) to prohibit, until the end of the calendar year 1934, the importation of all crude petroleum and crude petroleum byproducts into the United States of America; to the Committee on Ways and Means.

By Mr. CANNON of Wisconsin: A bill (H.R. 4545) to provide for the recalling of $13,424,146,750 of tax-free Government bonds and the issuance of United States currency in lieu thereof; to the Committee on Ways and Means.

By Mr. PIERCE: A bill (H.R. 4546) to amend the act of May 25, 1926, entitled "An act to adjust water-right charges, to grant other relief on the Federal irrigation projects, and for other purposes"; to the Committee on Irrigation and Reclamation.

By Mr. CROWE: A bill (H.R. 4547) to provide for renewal of 5-year level premium term Government insurance policies for an additional 5-year period without medical examination; to the Committee on World War Veterans' Legislation.

By Mrs. NORTON: A bill (H.R. 4548) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KNUTSON: A bill (H.R. 4549) to provide relief with respect to agricultural indebtedness, to provide for the refinancing thereof, and for other purposes; to the Committee on Ways and Means.

By Mr. MARTIN of Massachusetts: A bill (H.R. 4550) to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. AYRES of Kansas: A bill (H.R. 4551) to amend section 13 of the Federal Reserve Act by making notes of finance and credit companies subject to discount; to the Committee on Banking and Currency.

By Mr. GUYER: A bill (H.R. 4552) to prohibit the sale of certain fermented malt or vinous liquors at Army posts or naval bases, its transportation into such posts or bases, and for other purposes; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H.R. 4553) to amend the National Defense Act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. HOEPPEL: A bill (H.R. 4554) to amend section 4808 of the Revised Statutes (U.S.C. title 24, sec. 3), to prevent discriminatory reductions in pay of the retired personnel of the Navy and Marine Corps; to the Committee on Naval Affairs.

Also, a bill (H.R. 4555) to protect American labor, to reduce crime, to lessen the danger of foreign entanglements, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H.R. 4556) to safeguard American labor and to help maintain our monetary credit; to the Committee on Immigration and Naturalization.

By Mr. CONNERY: A bill (H.R. 4557) to prevent interstate commerce in certain commodities and articles produced or manufactured in industrial activities in which persons are employed more than 5 days per week or 6 hours per day; to the Committee on Labor.

By Mr. HOEPPEL: A bill (H.R. 4558) to safeguard national credit, to reduce unnecessary expenditures in the United States Foreign Service, and to lessen the danger of foreign entanglements; to the Committee on World War Veterans' Legislation.

By Mr. PEYSER: A bill (H.R. 4559) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes; to the Committee on Labor.

By Mr. MARTIN of Massachusetts: A bill (H.R. 4560) to regulate advertising of imported articles; to the Committee on Interstate and Foreign Commerce.

By Mr. KNUTSON: A bill (H.R. 4561) to authorize owners of resort property to secure from the home-loan banks loans secured by mortgages and to authorize such banks to lend to members on the security of such mortgages; to the Committee on Banking and Currency.

By Mr. DUNN: A bill (H.R. 4562) to limit the amounts that may be loaned by national banking associations upon shares of stock of corporations used as collateral security for such loans; to prohibit loans upon shares of "watered" stock of public-service or other corporations; to prevent abnormal stock-market booms and the stock-market panics, bank failures, and industrial depressions that inevitably follow; to the Committee on Banking and Currency.

Also, a bill (H.R. 4563) providing for and regulating the issue, directly by the Treasury Department of the United States, of a new form of Government currency to be called "United States currency notes"; making such notes and United States bonds interchangeable, repealing all laws authorizing the issue of gold certificates; providing for the cancelation and retirement of gold certificates; authorizing the Secretary of the Treasury to exchange United States currency notes for gold certificates; providing for the establishment and maintenance by the credit of the United States Government of a separate redemption fund for the redemption of United States currency notes; and for other purposes; to the Committee on Banking and Currency.

By Mr. STEAGALL: A bill (H.R. 4564) to provide for the purchase by the Reconstruction Finance Corporation of preferred stock and/or bonds and/or debentures of insurance companies; to the Committee on Banking and Currency.

By Mr. TREADWAY: Resolution (H.Res. 91) providing for the return of S. 812 to the Senate; ordered to be printed.

By Mr. CELLER: Resolution (H.Res. 94) to investigate the activities of the Irving Trust Co., of New York, as receiver in bankruptcy and equity causes; to the Committee on Rules.

By Mr. SIROVICH: Resolution (H.Res. 95) for the investigation of financial, operative, and business irregularities and illegal actions by interests inside and outside the motion and sonant pictures industry; to the Committee on Rules.

By Mr. McLEOD: Joint resolution (H.J.Res. 138) to save the United States Government the sum of approximately $28,585,745.50 per annum in the operation of the Rural Free Delivery Service by the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. KVALE: Joint resolution (H.J.Res. 139) proposing an amendment to the Constitution of the United States conferring upon the Congress power to regulate the production and marketing of commodities and to prescribe minimum wages and maximum hours of labor during an emergency; to the Committee on the Judiciary.

By Mr. CROWE: Joint resolution (H.J.Res. 140) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

By Mr. BRUMM: Joint Resolution (H.J.Res. 141) authorizing the issuance of a special postage stamp in honor of Dr. Joseph R. Priestley; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of California: A bill (H.R. 4565) for the relief of Ernest T. Blanchard; to the Committee on Military Affairs.

By Mr. CANNON of Wisconsin: A bill (H.R. 4566) for the relief of Mike Bankers; to the Committee on Military Affairs.

By Mr. COCHRAN of Missouri: A bill (H.R. 4567) for the relief of James P. Spelman; to the Committee on Claims.

By Mr. COLLINS of California: A bill (H.R. 4568) granting a pension to Nancy E. Talbert; to the Committee on Invalid Pensions.

By Mr. DUNN: A bill (H.R. 4569) for the relief of Miles Thomas Barrett; to the Committee on Military Affairs.

By Mr. HOEPPEL: A bill (H.R. 4570) authorizing the pay of warrant officers on the retired list for transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served as commissioned officers during the World War; to the Committee on Naval Affairs.

By Mr. GIBSON: A bill (H.R. 4571) authorizing the Commissioners of the District of Columbia to grant a permit for the construction of an oil and gasoline pipe line; to the Committee on the District of Columbia.

By Mr. GIFFORD: A bill (H.R. 4572) to amend the military record of Walter Gordon; to the Committee on Military Affairs.

By Mr. GUYER: A bill (H.R. 4573) for the relief of Charles P. Shipley Saddlery & Mercantile Co.; to the Committee on War Claims.

By Mr. HOEPPEL: A bill (H.R. 4574) granting a pension to Della Means; to the Committee on Invalid Pensions.

Also, a bill (H.R. 4575) for the relief of Bogustas De Kartowski; to the Committee on Military Affairs.

By Mr. HOWARD: A bill (H.R. 4576) granting an increase of pension to Melissa Jones; to the Committee on Invalid Pensions.

Also, a bill (H.R. 4577) granting an increase of pension to Melissa E. Burns; to the Committee on Invalid Pensions.

By Mr. KELLY of Illinois: A bill (H.R. 4578) for the relief of Matt Andriasevich; to the Committee on Claims.

By Mr. KVALE: A bill (H.R. 4579) for the relief of Dr. Charles T. Granger; to the Committee on Claims.

By Mrs. McCARTHY: A bill (H.R. 4580) granting a pension to Martha Breakey Ellis; to the Committitee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H.R. 4581) granting a pension to Margaret B. Burkhart; to the Committee on Pensions.

Also, a bill (H.R. 4582) granting a pension to Isabelle Gros Johnston; to the Committee on Pensions.

By Mr. MERRITT: A bill (H.R. 4583) granting a pension to Gertrude S. Sharpe; to the Committee on Pensions.

By Mr. PARKER of New York: A bill (H.R. 4584) granting a pension to John Charles Inglee; to the Committee on Pensions.

By Mr. REECE: A bill (H.R. 4585) granting a pension to Mary C. Adams; to the Committee on Pensions.

Also, a bill (H.R. 4586) granting a pension to Reatha Reneau; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H.R. 4587) for the relief of Edward P. Kean; to the Committee on Military Affairs.

By Mr. WERNER: A bill (H.R. 4588) to repeal section 2 of chapter 333, Forty-fifth Statutes; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

279. By Mr. BACHARACH: Petition of the Jewish Community of Vineland, N.J., protesting against the persecution of defenseless Jews in Germany; to the Committee on Foreign Affairs.

280. By Mr. BEEDY: Petition of the Eighty-eighth Legislature of the State of Maine to the Congress of the United States, urging it to restore the 2-cent postage rate; to the Committee on Ways and Means.

281. By Mr. CULLEN: Petition of New York Board of Trade, Inc., urging Congress to pass the necessary legislation to make lawful the establishment of a free port in the harbor of New York; to the Committee on Rivers and Harbors.

282. Also, petition of the Banking Board of the State of New York, urging legislation providing that no national bank or branch thereof shall be established in any community served by a State bank or trust company without the approval of the State authorities, if as provided the State will provide by law that no State bank or trust company or branch thereof shall be established in any community served by a national bank without the approval of the Federal authorities as well as of the proper State authority; to the Committee on Banking and Currency.

283. By Mr. DELANEY: Petition of the Brooklyn Civic Club, Inc., of Brooklyn, N.Y., condemning the conduct on the part of the German Government toward the Jews, and urging the United States Government to intercede in their behalf; to the Committee on Foreign Affairs.

284. Also, petition of the New York Board of Trade, Inc., favoring the establishment of a free port in the harbor of New York; to the Committee on Rivers and Harbors.

285. Also, petition of the Abraham Miller Association, Inc., voicing their protest at the actions against the Jews in Germany, and appealing to the United States Government to take necessary steps to put an end to them; to the Committee on Foreign Affairs.

286. By Mr. JOHNSON of Minnesota: Resolution by the City Council of the City of Virginia, Minn.; to the Committee on Agriculture.

287. Also, resolution adopted by the Trades and Labor Assembly of International Falls, Minn., pertaining to labor; to the Committee on Labor.

288. By Mr. KVALE: Petition of Duluth, Winnipeg, and Pacific System Federation, No. 148, urging enactment of legislation to revise the tariff law between the United States and Canada, to stimulate transportation, and to enact legislation to revise tax exempt securities law; to the Committee on Ways and Means.

289. Also, petition of various citizens, favoring the enactment of a bill to revaluate the gold ounce; to the Committee on Coinage, Weights, and Measures.

290. Also, petition of Duluth, Winnipeg, and Pacific System Federation, No. 148, urging enactment of unemployment insurance measures; to the Committee on Labor.

291. Also, petition of St. Johns and Mamre locals of the Farmers' Union in Minnesota, urging enactment of the Frazier bill; to the Committee on Banking and Currency.

292. Also, petition of the City Council of the City of Minneapolis, urging an increase in Federal-aid appropriation for public work; to the Committee on Appropriations.

293. Also, petition of Ramsey County Legislative Committee, opposing cuts in veterans' benefits; to the Committee on Economy.

294. Also, petition of Askov, Minn., local club of the Socialist Party of America, favoring a policy of prohibiting exportation of arms and ammunition to all belligerent nations; to the Committee on Foreign Affairs.

295. Also, petition of Watonwan County Holiday Association, urging enactment of the Frazier bill; to the Committee on Banking and Currency.

296. Also, petition of Minnesota Council of Catholic Women, opposing the enactment of the equal-rights amendment; to the Committee on the Judiciary.

297. Also, petition of American Legion Auxiliary of North Branch, Minn., urging enactment of the program of national defense; to the Committee on World War Veterans' Legislation.

298. By Mr. MEAD: Petition of the Banking Board of the State of New York, regarding the membership of all banks to Federal Reserve System; to the Committee on Banking and Currency.

299. Also, petition of Citizens Unemployed Relief Association of Buffalo, N.Y., regarding Red Cross distribution of Government flour; to the Committee on Ways and Means.

300. By Mr. MERRITT: Petition of citizens of Bridgeport, in the State of Connecticut, protesting against the outrages inflicted upon the Jewish people in Germany; to the Committee on Foreign Affairs.

301. Also, petition of citizens of Stamford, in the State of Connecticut, protesting against the outrages inflicted upon the Jewish people in Germany; to the Committee on Foreign Affairs.

302. By Mr. MORAN: Memorial of the Eighty-sixth Legislature of the State of Maine to the Congress of the United States, urging it to restore the 2-cent postage rate; to the Committee on Ways and Means.

303. By Mr. REILLY: Resolution adopted at a meeting held in the city of Milwaukee March 29, 1933, providing for the immediate cessation of antisemitic propaganda against the German Jews, and that our Government take steps to safeguard its Jewish inhabitants from unwarranted attacks; to the Committee on Foreign Affairs.

304. By Mr. RUDD: Petition of C. F. Thatcher, Inc., Brooklyn, N.Y., favoring a higher duty on military boots; to the Committee on Ways and Means.

305. Also, petition of New York Board of Trade, Inc., New York City, favoring the establishment of free ports in the United States, and especially one to be located in the port of New York; to the Committee on Rivers and Harbors.

306. Also, petition of Parshelsky Bros., Inc., Brooklyn, N.Y., favoring certain amendments to House bill 706; to the Committee on Ways and Means.

307. By Mr. STRONG of Pennsylvania: Letter of Nathan Asbel, Nanty-Glo, Pa., with plan for solution of the problems of the coal industry; to the Committee on Interstate and Foreign Commerce.

308. By Mr. SUTPHIN: Petition of residents of Ocean County, N.J., who assembled in a mass meeting to protest against the feudal course of persecutions being practiced in Germany against the Jewish race; to the Committee on Foreign Affairs.

309. By Mr. TREADWAY: Petition of Oatman Morningside Woman's Christian Temperance Union, of Pittsfield, Mass., urging the enactment of certain legislation pertaining to the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

310. By Mr. UTTERBACK: Petition of the Eighty-eighth Legislature of the State of Maine to the Congress of the United States, urging it to restore the 2-cent postage rate; to the Committee on Ways and Means.

311. By Mr. WELCH: Senate Joint Resolution No. 16 of the California Legislature, relating to United States Senate bills Nos. 5417 and 5607, pertaining to Federal reclamation projects; to the Committee on Irrigation and Reclamation.

312. By the SPEAKER: Petition of citizens of South Bend, Ind., requesting that the Federal Government exert its influence upon the German Government to the end that it renounce its avowed program of anti-Jewish legislation; to the Committee on Foreign Affairs.